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ABSTRACT

Teaching strategies for the study of the economic aspects of the student's own community are emphasized in this resource unit developed from materials produced by the Project Social Studies Curriculum Center. This unit should make progress toward teaching children the following: 1) concepts: consumer, producer, capital goods, durable goods, productive resources or factors of production, natural resources and man's use of the physical environment, barter, money and banking, pricing and the cost of production, profits and economic good, demand, competition, economic model, individual proprietorship, partnership, corporation, cooperative, private enterprise system, taxes, division of labor and specialization; 2) generalizations evolving out of this conceptual approach to community study; and, 3) inquiry skills as described in SO 001 726. Attitudinal objectives are: 1) skepticism concerning single-factor causation in the social sciences; and, 2) curiosity about social data. Educational media are listed, student activity sheets and textual materials developed by the Center are also included. Other documents in this series of curriculum guides are ED 051 027 through ED 051 033, ED 052 080 through ED 052 082, and SO 001 278. (VLW)

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Chelmsford, Massachusetts

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COMMUNITIES AROUND THE WORLD

Our Community: Economic Aspects

Teacher's Resource Unit

revised by

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This resource unit was revised following field testing in the Chelmsford Public Schools from materials developed by the Project Social Studies Curriculum Center of the University of Minnesota under a special grant from the united States Office of Education.

1969

OBJECTIVES

This unit should make progress toward teaching children the fo

Concepts (and definitional generalizations)

1. Consumer

   A consumer is one who buys or uses goods or services

2. Producers

   Those who perform services or who make goods are producers.

3. Capital goods

   Societies produce some capital goods which do not satisfy consumer wants directly but which are used to produce more goods and services in the long run.

4. Durable goods

   Some goods are consumed with one use, while others are more durable and are called durable goods.

5. Productive resources or factors of production

   A productive resource is anything which can be used to produce goods or services.

6. Natural resources

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6. our natural physical environment which can be used to help satisfy man's wants.

7. Barter

Barter consists of the desired exchange of goods or services for other goods or services without the use of money.

8. Money

Money is something which is accepted as a medium of exchange.

9. Bank

A bank is a business firm which accepts savings of others, pays interest on them and/or safeguards them, loans money to others, and is paid interest on loans.

10. Price.

The price is the amount which must be paid to purchase the good or service. It is its money value.

11. Cost of Production

The costs of production include the prices which must be paid by firms for all of the productive resources needed in production.

12. Profits

Profits are the income left over after costs are subtracted from prices.

13. Economic good

An economic good is one which is scarce compared to the demand for it and so is not free.

14. Demand

Demand differs from wants in that when there is demand, there is a want backed up by the willingness to pay the the ability to pay for the product.

15. Competition

Competition exists where there are a number of sellers and buyers of a product or service and no single seller or buyer can dominate or control the the market price.

16. Economic model

Economic models simplify the economy to make it easier to understand. They include the major components in the system and the major relationships or connections among them.

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17. Individual Proprietorship

A single proprietorship is a business owned by a single person.

18. Partnership

A partnership is owned by two or more people who are legally responsible for all debts of the firm.

19. Corporation

A corporation is owned by a group of people having the legal power to act as an individual.

20. Cooperative

A cooperative is a business in which ownership and profits are shared by a group of individuals who are either the workers or those who consume the products handled by the firm.

21. Private Enterprise System

Private enterprise systems are marked by private ownership and management of most means of production as well as by private ownership of consumer goods.

22. Taxes

Taxes consist of the money collected by the government from individuals and organizations in order to pay for its operations and for services.

23. Division of Labor

In division of labor no one tries to do all of the jobs needed to satisfy wants. The jobs are divided up and done by different people. Even one job may be broken up into a number of operations each of which is performed by a different person.

24. Specialization

Specialization means that one person does only one task or job and becomes skilled in its performance.

Generalizations.

1. Every economic system faces scarcity or a lack of enough productive resources to satisfy all human wants.

   a. Economic wants of people seem never to be satisfied, since goods and services must be replenished constantly as they are used up, since population is expanding, and since new inventions create new wants.

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2. The private enterprise system provides great freedom of choice for consumers; these choices are influenced by many factors.
    a. Prices can influence our choice-making
    b. Preference can influence our choice-making
    c. Quality influences our choice-making.
    d. Packaging may influence consumer choices.
    e. Advertising is used to persuade consumers to make certain choices as against other choices.
3. Barter is inefficient, the development of a monetary system promotes exchange and so a division of labor and greater productivity.
    a. Barter is inefficient in that goods and services are not necessarily of equal value.
    b. Barter is inefficient in that goods and services can not always be divided to equalize value.
    c. Barter is inefficient in that many goods do not last well.

d. Barter is less efficient than money for a number of reasons.

e. Money serves as a medium of exchange, as a measure of value, and as a storeer of value; it is divisible and can be transported easily.

   1) Money is wanted for what it can buy; paper money has no value in and of itself.

4. Prices are affected by supply and demand and affect supply and demand.

   a. Other things being equal, the lower the price, the greater the demand usually is; the higher the price, the less the demand usually is---except in the case of certain types of goods.

      1) The degree to which changes in prices affect demand depends upon the degree to which consumers consider the good or service essential to them.

   b. Other things being equal, the price of a good rises when the good is in short supply as compared to the demand for the good and falls when the supply of the good is larger than the demand at the existing price.

   c. Wage rates are affected by the supply and demand for labor.

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d. In general people in this country wish to sell their labor, land, capital, or goods for the highest income possible in order to obtain the largest amount of desired goods and services.

5. There are different kinds of productive resources (factors of production) including natural resources (called land) labor (man) and capital goods (tools and machines and buildings to house production).

   a. Many types of goods can be produced from the same resources.

6. Division of labor and specialization make possible increased production.

   a. Mass production assembly lines use division of labor and specialization to increase output per worker.

   b. Division of labor and specialization in any mass production system permits reduction of cost per unit produced.

7. Specialization makes for interdependence.

   a. Mass production factories

b. People in most societies of the world depend on people who live in other communities or countries for certain goods and services and for markets for their goods.

8. Cities usually have greater division of labor and specialization than small towns or farm areas.

9. Output can be increased by a more efficient combination of productive resources (by the way in which production is organized).

10. Output can be increased by technological progress in the development of tools and machines and power to replace manpower.

   a. New technological developments bring improved efficiency to tools and machines and increased labor productivity.

   b. Machinery and power make possible greater production per person and more complicated products.

11. Savings (or forgoing present consumption) are needed to obtain capital goods.

   a. The money saved by individuals and put into investments banks becomes a source of investment by those who borrow the money to make capital goods.

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12. Business firms are organized as individual proprietorships, as partnerships, as corporation or as producers' or consumers' cooperatives.

    a. As compared with individual enterprises, corporations make possible a larger investment in capital goods with an accompanying mass production and lower costs. They also provide some legal safeguards for owners in case of the failure of the business. However, the owners have less independence.

13. Firms compete with each in many ways; this competition affects how things are produced.

    a. Firms may compete with each other by cutting price.

    b. Firms may compete with each other by heavy advertising to make their products better known or to increase the demand for their product rather than for competing goods.

    c. Firms may compete with each other by trying to improve the quality of their product or by product differentiation.

d. Firms may compete with each other by trying to introduce substitute products which will be more attractive to consumers or cheaper.

e. Firms may compete with each other by cutting prices which means that they must compete in cutting costs of production in order to make a profit and stay in business.

14. Some things can be produced better in one place than in another because of climate, resources, access to resources, available transportation, closeness to markets, labor supply, people's skills, etc.

a. Location of production will be influenced by natural resources needed for production.

b. Location of production will be influenced by transportation factors.

c. Location of production is influenced by physical features which affect transportation and access to resources.

d. Location of production is influenced by access to markets.

e. Different parts of a city usually have different but interrelated functions.

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15. In a private enterprise system, it is the market which serves largely to resolve the questions of: What and how much shall be produced? How shall it be produced? and Who will get what products and services.

    a. Demand affects the supply of goods and services by affecting prices. Other things being equal, the higher the price for a good the larger the quantity which will become available for sale.

    b. Competition among producers affects how things will be produced in a private enterprise economy, since each producer will try to arrive at the most efficient use of productive resources in order to compete with others and make greater profits.

    c. The money incomes people receive, whether in the form of wages, interest, rents or profits, is the main factor in determining how goods and services will be divided--who will get what part of the goods and services produced in a country.

16. Economic systems differ as to how questions are resolved about what and how much to produce, how it shall be produced and who shall get what goods and services.

a. There are many ways of deciding who should get scarce goods and services.

17. Private enterprise systems are really mixed economies, with government ownership of some means of production and some common socialized goods and services.

   a. Government taxation and spending policies affect what and how much shall be produced and who will get what goods and services.

18. The flow of income in a private enterprise system can be broken down into three general types of flows: Between businesses and the public (producers and consumers); between the government and both producers and consumers; and between the savers and investors.

   a. Businesses buy productive resources (labor, capital, and natural resources) from others and pay them wages, interest, rent, and money for natural resources which they in turn use to buy goods and services from businesses.

   b. People and business firms pay taxes to the government and the government provides services to the public and also buys productive resources from the public.

   c. Many people save part of their income by putting it into banks which lend

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the money to business firms which in turn pay interest and finally repay the bank.

SKILLS

1. Organizes and analyzes information and draws conclusions.
   a. Classifies data
2. Attacks problems in a rational manner.
   a: Sets up hypotheses.
   b. Tests hypotheses against data.
3. Gathers information effectively.
   a. Interprets pictographs and bar graphs.
   b. Interprets flow charts or model
   c. Uses encyclopedias and other references to locate information on local community.
4. Uses effective geographic skills.
   a. Understands use of map symbols to represent reality.
   b. Interprets map symbols in terms of key or legend.
   c. Interprets map symbols for cities and towns.

ATTITUDES

1. Is sceptical of single-factor causation in the social sciences.
2. Is curious about social data.

G. (D) A consumer is one who buys or uses goods and services.

S. Generalizes from data.

S. Classifies data.

S. Sets up hypothesis.

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1. All people are consumers but not all people are producers.

   A. The process of satisfying people's wants is called consumption, and the people whose wants are satisfied are called consumers.

data.

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      1. Wants can be in the form of goods which people desire

      2. Wants can be in the form of service which people desire.

TEACHING STRATEGIES **EDUCATIONAL MEDIA**

1. Ask children to list all of the things which their families paid money for in order to get them ready for school this fall. (Include such things as hair cuts, visits to the doctor or dentist, etc, as well as material objects.) Make a composite list on the chalkboard and transfer the items to small cards. Children should note the number of different kinds of things purchased directly for them to use. Tell them that because they use things they are called consumers.

2. Have children make lists of all items for which their families spent money during the last month. (They should do this at home with the help of their parents.) The list will include a variety of items and services such as food, clothes, haircuts, rent, movies, newspapers, magazines, visits to doctors or dentists, lessons of one kind or another, food for pets, gasoline for car, bus fare, car repairs, etc. Have each child indicate after each item the number of members of his family who will or have used the item. (In some cases it will be a whole family.) Then ask the class: Did you any of you find that there was any member of your family who will not use at least one of the things listed? What do you use? What do babies in your families use? Ask: Are all the members or your family consumers? Why?

3. Now make a composite list of the things purchased by children's families. Put each item on a small card. Add to the other cards already made. Now ask children to classify the cards in two ways. First, hold up several cards which represent goods in one hand and several which represent services in the other hand. Ask: Can you see any difference in the type of thing purchased? Why have I grouped these two items together and not included these other two items? Help children classify items as goods and services. Redefine a consumer as a person who uses goods and services. Tell the children that having a service performed for one (i.e. a barder cutting one's hair)

S. Classifies data.

G. (D) Societies produce some capital goods which do not satisfy consumer wants directly but which are used to produce more goods and services in the long run.

G. (D) Some goods are consumed with one use, while others are more durable and are called durable goods.

S. Classifies data.

G. (D) Those who perform services or who make goods are producers.

S. Classifies data.

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3. Some goods do not provide immediate satisfaction to consumers; they are used to produce other goods and so are called producer's goods or capital goods.

4. Goods can be classified as durable or non-durable, although those generally classified as non-durable include things such as clothes which take longer to consume than other non-durable goods such as food.

B. Workers are producers of either goods or services.

1. Members of families work inside the home and/or outside the home.

2. Those who make useful things are producers of goods.

is just as much consumption as wearing clothes or eating foods. Have children set up an hypothesis about whether more people produce goods or services in this country. This hypothesis will be tested later. However, ask: How could people test this hypothesis? Tell the class about census as a source of such data.

4. Now have children sort the cards according to goods and services. Each should then rearrange his own lists in two columns, one labelled goods and one labelled services.

5. Perhaps some child will have listed the purchase of a tool or machine by his father. If so, identify such things as items which help us produce what we want but do not satisfy our wants directly -- as capital goods.

6. Now take the pile of cards labelled goods and ask children to classify them in a different way. Have them sort out the goods in terms of how long they will last -- in terms of whether or not they satisfy wants quickly (e.g. food) or over a long period of time (car, house) or over a period of time but much shorter than for highly durable goods (e.g. clothes.)

7. Have the children make a list of members of their families and the work which each does inside the home. They will discover than some members of the family do not work. (e.g. grandfather, baby, etc.)

8. Make a composite list of types of work done in children's homes. Put on chalkboard or on tagboard. Then point to some of the items which represent production of goods and ask them what difference there is between this group of kinds of work and the next group which you point to. (Now point to

3. Those who do useful work for others---work which does not include making goods--are producers of services.

G. (D) Those who perform services or who make goods are producers.

types of work which represent services.) W
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Ask children to classify each one. Then ha
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9. Have each child draw a picture of his famil
Bind in a class booklet entitled "Work in O
use pictures for a bulletin board display.

10. Have the children list the members of their
outside the home and the work each does. A
classify the kinds of work by the productio
the production of services. Make a composi
entire class and then ask children to place
two columns headed Producing "Goods" and Pr

11. Now say: Suppose we say that a producer is
something to make possible things we want.
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general definition which defines producers
to goods and services. Use Student Activit

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sing vegetables or flowers in the garden? etc.

iew the difference between goods and services. Now turn
the items on the combined class list which you did not
when asking children to note the difference in type.
children to classify each one. Then have each child
ssify the types of work he listed in two columns, one
Making Goods and one for Producing Services.

e each child draw a picture of his family working at home.
d in a class booklet entitled "Work in Our Homes." Or
pictures for a bulletin board display.

e the children list the members of their families who work
side the home and the work each does. Again lead them to
ssify the kinds of work by the production of goods or
production of services. Make a composite list for the
ire class and then ask children to place items in
columns headed Producing "Goods" and Producing "Services."

say: Suppose we say that a producer is someone who does
ething to make possible things we want. Look again at
r lists of kinds of producers? Would those making goods be
ducers? Would those doing these jobs (point to column
services) be producers? Now have children work out a A
eral definition which defines producers in relationship
goods and services. Use Student Activities Nos. 1 & 2.

Appendix: Student
Activity number 1
and 2

S. Classifies data.

S. Interprets pictographs and bar graphs.

4. More adul
services

S. Classifies data.

G. (D) A consumer is one who buys or uses goods or services.

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4. More adults in the U.S. work to produce services than work to produce goods.

12. Children may draw pictures of members of their families who work outside the home. Have children group them into two piles of pictures: those that show production of goods and those that show production of services. Use them in preparing a bulletin board display which contrasts the type types of production. Or bind the pictures in a class booklet entitled "Work Outside Our Homes." (Again contrast the two types of production.)

13. Ask: Which type of production is most common for parents of class members? If it is service, ask: Do you think this would be true for the workers as a group in this country? Remind children of all the goods which they and their families buy. Many workers must work to prepare these goods.

14. Perhaps show pupils a simple pictograph comparing number of workers in the country who provide goods as compared to number providing services. Be sure that you make the pictograph by using a number of stick figures of the same size rather than by increasing the size of the larger stick figure. (Changing the size of figures presents an inaccurate picture of relative sizes.)

    If possible, put this pictograph (made with the stick figures) on a transparency and project it with an overhead projector. Then place on top of it a transparency in which bars are used to cover the pictograph, so that the children see the same information illustrated in a bar graph. Be sure to add the necessary scale at the bottom of the graph to show the number of workers represented by each bar. By showing children the relationship between a pictograph and a bar graph, you should help children read bar graphs in the future.

15. Find pictures showing consumers and producers in the community. Be sure to include a number of pictures of people producing services (e.g. mail carrier, milk man, delivery boy, grocer,

G (D) Those who perform services or who make goods are producers.

G (D) Business buy productive resources (labor, capital, and natural resources) from others and pay them wages, interest, rent and money for natural resources which they in turn use to buy goods and services from businesses. C.

S. <ins>Interprets flow charts or models.</ins>

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l resources) from others
 them wages, interest, rent
ney for natural resources
they in turn use to buy
and services from businesses.

rets flow charts or models.

C. Our economic system can be pictured in a simplified way by looking at a model showing consumers and producers (the components) and the flow of money and goods and service between them (the connections between components).

1. Consumers get goods and services and pay money to those who provide or produce them.

dentist, doctor, teacher). Also be sure to include pictures of consumers which show the consumption of goods (e.g. women taking goods off shelf in grocery store, people waiting in line for a ride on ferris wheel, patient and doctor, crowd watching community baseball game or football game, etc.) In small communities, you would be able to include pictures of people the children will know.

Now show the pictures as a means of reviewing what children have learned thus far. As you show each example, ask questions such as; is this person a consumer or a producer in this case? Is there a consumer as well as a producer in this picture? What is this person consuming? What is this person producing? You may wish to have each child write his answers to your questions on each slide. Then show the slides once more and discuss them orally with the class. If you cannot make slides, you could use pictures cut from magazines and newspapers, although they would not show local scenes.

16. Have each child bring in pictures of consumers and producers and make his own booklet on "Consumers and Producers."

17. Have each child draw one picture of an item purchased by his family. Prepare a bulletin board display of a simple flow chart. On the far left pin pictures of several houses and pictures of people representing families. On the far right pin pictures of various types of business establishments (e.g. factory, stores, barber shop, etc.) With white string outline a large arrow running from the pictures of businesses to the pictures of homes. This arrow should have double lines (as shown in model in appendix) and should be placed at the top of the bulletin board. At the bottom of the display, outline a similar arrow with colored yarn running from the homes

Appendix: Model #1.

2. Most adults are both consumers and producers.

D. We can show a more accurate picture of our economic system by adding to our model the flow of productive resources from the people to the businesses and the flow of wages, rent, and interest from businesses to the people who use the money to buy goods and services from the business firms.

to the businesses. In the space provided by the top arrow, post children's pictures of things purchased by their families. In the bottom arrow, place pictures of coins, currency, checks, etc.

Ask: Why are the people living in these homes paying money to the people in these businesses? Have children label the top arrow goods and services and the bottom arrow money.

18. Take a picture of a local store owner who children may know and make duplicate copies of it. Or cut out the picture of a man from the same ad in two different magazines and give him a mythical business job and name. Now ask: Where would we place Mr.________ on our chart? Should we place him only on this side of our chart? Will he be only a producer? Now take a second picture of Mr. Smith and place it on the side with the homes.

19. Have children look at the flow chart on the bulletin board. Ask: How do the consumers get money to pay for the goods and services from the businesses?

Now have children select one of the smaller pictures on the board which represents goods and one which represents services. Change the flow chart by making a thinner arrow to show the flow of goods and services, using only the two pictures. Move the arrow showing the flow of money as payments for goods up under it. Now add an arrow at the bottom which moves from business to families and shows money payments for wages, rent, etc. Add another arrow going in the opposite direction which shows labor, natural resources, savings. (Use pictures of money for the first arrow which shows the flow of money payments for productive resources and pictures of a worker, of some natural resource, and of a tool for the second arrow which shows productive resources flowing to business firms.)

Appendix: Model #2.

G. Every economic system faces scarcity or a lack of enough productive resources to satisfy all human wants.

G. Economic wants of people seem never to be satisfied, since goods and services must be replenished constantly as they are used up, since population is expanding, and since new inventions create new wants.

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II. There are not enough goods and services to satisfy the desires of all of the people for them.

A. Most families have more wants than they can satisfy with the money they have to spend; therefore, they must make choices as to what they will buy.

B. Taken as a whole people's wants are greater than can be produced in any society. Economic wants of people never seem to be satisfied.

1. Goods and services must be replenished because they are used up by the process of consumption.

2. New inventions create new wants.

3. The population is expanding, and more people need more goods and services.

20. Read aloud the fairy tale The Fisherman and His Wife. Allow time for children to discuss the behavior of the wife. Then say: Suppose you had a magic fish? What would you ask for? Let's imagine that all goods and services are free. Make a list of all the goods and services you would want and need.

Append
The Fi
Wife.

After a few minutes, tell the children to stop writing. Then ask: How many of you were able to list all the goods and services you would want if they were free? Why did most of you fail to finish? What does this tell us about our wants?

21. Ask a series of questions aimed at bringing out unlimited wants as compared to limited supply. e.g.

    a. Does your family have enough money to buy all the goods and services that it wants?

    b. Why don't our wants for food get satisfied in the same way that our wants for (name of toy) get satisfied? (We eat a meal and then get hungry again, toys last longer.)

    c. Why does your mother have to buy you new clothes? (They wear out, Styles change. Children outgrow them.)

    d. How many of you have black and white televisions sets? Keep your hands up if you would like a colored television set. Why would you like it when you already have television? Can you think of other things which you would like because they are new or better than things your family already has? (New car, any newly invented item,

    e. Tell children how many new people are added to our populati in this country each year. (Or do the same for the community Ask: What does this mean about the total wants of people in our community or country?

fairy tale The Fisherman and His Wife. children to discuss the behavior of the y: Suppose you had a magic fish? What for? Let's imagine that all goods and ree. Make a list of all the goods and ould want and need.

Appendix:
The Fisherman and His Wife.

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ren how many new people are added to our population ntry each year. (Or do the same for the community.) does this mean about the total wants of people in ity or country?

G. (D) An economic good is one which is scarce as compared to the demand for it and so is not free

C. Economic
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good is one
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nd for it and so is

C. Economic wants are wants for things which are scarce in relationship to the wants for them; they cannot be acquired without somehow being paid for through labor, money, taxes, etc.

f. Ask: When you made your lists of things you wanted, how many of you listed clothes as one of the goods you would want? If clothes were free would you want fair quality goods or would you want the best? Do you think everyone in our community would want the best quality of clothes possible? About (quote figure) people live in our community. How many of these people would want find clothes? There are about (quote current estimate) people in the United States. Would we have enough resources to satisfy the wants of everyone in the U.S. for fine clothes? In the world?

g. Can you think of other things or services which must be replaced or repeated? (e.g. pencils wear out; hair grows again after hair cut; etc.)

h. Can you think of any other examples of wants which are likely to continue or increase rather than being satisfied?

22. You may wish to find and read aloud sections of news articles illustrating other examples of scarcity (e.g. articles on food shortage or famine in some part of the world; article on water shortage in some part of the country; article on labor shortage in some occupation; article on work stoppage because of materials shortage; article on cut in government spending because of increased spending on war effort, etc.) Have children look in newspapers and magazines for other examples of shortages of one kind or another.

23. Have each child draw or find pictures he can use to illustrate a booklet entitled "People's Wants Exceed Supply."

24. Say: How much do your parents pay for the air you breathe? Why don't they pay anything? How much do they may for the water you drink? (If pupils live in an area with private wells, they may not pay for water, but what they have paid for is the well. If

1. If goods
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2. Some of o
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G. Private enterprise systems are market by private ownership and management of most means of production as well as by private ownership of consumer goods.

G. Private enterprice systems are really mixed economies, with government ownership of some common socialized goods and services.

3. Some of ou
individual
themselves
the govern
through ta

1. If goods are not in short supply (such as air or water in some areas with only a small population and many lakes and rivers) people will not pay for them.

2. Some of our wants can be satisfied by families or individuals who can pay for them. In this country these wants are usually provided by private enterprise.

rprise systems are
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f most means of pro-
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rprice systems are
economies, with
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3. Some of our wants would cost too much for individuals or families to provide for themselves; these wants may be provided by the government and paid for collectively through taxes.

pupils live in cities, they pay small amounts for water.) Now ask: Suppose you lived in an area of many lakes or rivers and only a few scattered families. Would you have to pay for your water then? Why or why not? During a big snow storm would anyone pay for snow? Why not? Does anyone ever pay to have snow made? (e.g. ski resorts) Why? What then can we say about why we pay for some things we consume or that we have and not others? Now define economic goods for children.

25. Ask: Who pays for most of the things you and your families consume? Where do they get the money to pay for them? (Children will probably say by working or selling their goods and services. Do not try to get them to come up with other ideas at this time. Wait until after they have studied the different kinds of productive resources.)

26. Have each child made a chart (perhaps using cut-out pictures or his own drawings) to illustrate sources of income for a family. Save and let children add to charts later.

27. Ask: Who usually produces the things that supply our wants for food, clothing,and shelter. (Help children understand that most businesses are private in this country.)

28. Ask: Can you think of any goods or services which your families get which are not provided for by private industry? What services are all of you getting right now? (education). Who pays for this service? Can you think of any other services or goods which your parents do not pay for individually even though you and they share in their use? (Review what pupils learned in third grade course about services provided by government and reasons for such services.)

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b. Govern
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G (D) Taxes consist of the money collected by the government from individuals and organizations in order to pay for its operations and for services.

C. The gove
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goods an

a. It would be too expensive and uneconomical for each family to hire teachers and provide facilities for educating its own children, to provide its own fire or police protection, to build its own roads on which to drive its car, etc.

b. Governments provide such services by collecting taxes from people and business firms. Therefore the people are paying for these goods and services indirectly and collectively.

onsist of the money col-
oy the government from
uals and organizations
r to pay for its opera-
nd for services.

C. The government must buy resources, goods and services from people in the society in order to provide these public services and goods, Therefore, it must be added to any model showing the flow of goods and services and money

Could every family provide its own fire truck or hire firemen? Could every family hire teachers and pay for education? Could every family build highways for their car? Would it be sensible to do so if they could? etc. What plan does our community have so that all families can have education, protection against fire, highways, etc? Who pays for these services? (parents through taxes).

29. Develop a chart in class:

WHAT FAMILIES BUY FOR THEMSELVES	WHAT FAMILIES BUY TOGETHER
Food	Schools
Clothing	Roads and Highways
Automobiles	Fire Protection
Houses	Police Protection
Etc.	Post Offices
	Etc.

30. Return once more to the flow chart on the bulletin board. Ask what else needs to be added to our diagram?

Appendix:
Model #3

Make a new chart or add to the bulletin board display in order to show government providing services to business and getting

G. People and business firms pay taxes to the government and the government provides services to the public and also buys productive resources from the public.

S. Interprets flow charts and models.

G. (D) Barter consists of the direct exchange of goods or services for other goods or services without the use of money.

G. Barter is inefficient in that goods and services are not necessarily of equal value.

G. (D) Barter is inefficient in that goods and services are not necessarily of equal value.

G. Barter is inefficient in that goods and services cannot always be divided to equalize value.

G. Barter is inefficient in that not many goods do last well.

S. Generalizes from data.

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III. People can
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A. People
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in our economy.

III. People can buy goods and services or be paid for what they do in various ways.

A. People may use barter to exchange goods and services; however, barter has many disadvantages.

taxes from them and providing services to consumers and getting taxes from them. Have pupils identify what is provided. They might draw pictures to illustrate them.

31. Say: Listen carefully to the two accounts which I will read to you. Listen to find out how they are alike. Read a brief account of the purchase of Long Island from the Indians with beads, etc.

Now read aloud an account of how Sue traded marbles with Ellen. Afterward ask: Do you think this was an even trade? How are the two accounts I have read to you alike? What do we call this method of obtaining goods? (Barter) Did you ever trade or barter with your friends? How? What problems were there in such exchanges.

32. Ask: What do we usually use to obtain goods and services today instead of the beads that the early settlers used, for the exchange of goods? Today we will see how we would have to get along if we could not use money to obtain the goods which we desire.

Conduct a live trading session in class. Have each child bring in one object that he would be willing to trade with other children (emphasize the fact that this object will not be returned.) During class give children five minutes in which to trade. Tell the children that they must trade at least once but may trade more often if they wish. Following the trading session ask children to respond to the following:

a. What object or service I started with
b. The trades I made
c. Was I satisfied with my trade(s) and why

Discuss with class

d. Would this be a useful method of obtaining goods and

d providing services to consumers and
them. Have pupils identify what is pro-
draw pictures to illustrate them.

ully to the two accounts which I will
n to find out how they are alike. Read
the purchase of Long Island from the
, etc.

Appendix:
"Purchase of Manhattan"

account of how Sue traded marbles with
ask: Do you think this was an even
e two accounts I have read to you alike?
is method of obtaining goods?
ver trade or barter with your friends?
s were there in such exchanges.

"Marble Trade"

sually use to obtain goods and services
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ding session in class. Have each child
t that he would be willing to trade with
phasize the fact that this object will
During class give children five minutes
Tell the children that they must trade
may trade more often if they wish.
ng session ask children to respond to

or service I started with
made
fied with my trade(s) and why

e a useful method of obtaining goods and services?

G (D) Money is something which is accepted as a medium of exchange.

G. Money serves as a medium of exchange, as a measure of value, and as a storer of value; it is divisible and can be transported easily.

B. Most soci
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B. Most societies use some form of money to make exchange of goods and services easier.

1. Money serves as a medium of exchange, as a measure of value, and as a storer of value. It facilitates both the exchange of goods and the savings needed for investment.

33. Write a list of the problems involved in barter on the chalkboard. Ask: How do we solve these problems created by barter? Do we solve each of these problems with our money system? Discuss each problem and how it is solved in our system of exchange.

G. Money is wanted for what it can buy; paper money has no value in and of itself.

2. Money is valuabl
buy.

G (D) A bank is a business firm which accepts the savings of others, pays interest on them and/or safeguards them, lends money to others, and is paid interest on these loans.

C. Banks make
save or bor
easier for
to borrow m
machines or

G. The money saved by individuals and put into investment banks becomes a source for investment by those who borrow the money to make capital goods.

ed for what it can
ney has no value
elf.

2. Money is valuable because of what it can buy.

business firm which
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ed by individuals
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rce for investment
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al goods.

C. Banks make it easier for people to save or borrow money; they make it easier for business organizations to borrow money needed to get more machines or to build factories.

34. Hold up a coin such as a half dollar and also a dollar bi Ask: What makes each of these valuable? Is it the ink or paper on this dollar bill? Is it the metal in this coin? would you like the money? Suppose no one would accept it something else you want to buy? Would you still want it?

35. View transparencies #1-4 of Everyday Economics and use re lated worksheets.

36. Show the film The Story of Our Money System. A simple ti line showing the development of our money system could be made to check understanding.

37. Find advertisements that inform us of services provided by banks within the community. Emphasize the savings service of the bank, the checking service, loans, insurance, savings bonds, etc.

a half dollar and also a dollar bill.
f these valuable? Is it the ink or the
ill? Is it the metal in this coin? Why
ey? Suppose no one would accept it for
t to buy? Would you still want it?

Transparencies:
Everyday Economics
#1-4.

-4 of Everyday Economics and use re-

y of Our Money System. A simple time
lopment of our money system could
standing.

Film: Story of Our
Money System, Coro-
net films.

at inform us of services provided
mmunity. Emphasize the savings
he checking service, loans, in-
, etc.

G. Many people save part of their income by putting in in banks which lend the money to business firms which in turn pay interest and finally repay the loans.

S. Interprets flow charts or models.

S. Classifies data.

G. There are different kinds of productive resources (factors of production) including natural resources (called land) labor (man) and capital goods (tools and machines and building to house production).

D. Because b
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IV. Factors of
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production).

D. Because banks get money from people and loan it to others, they must be added to the model of monetary flow in the American economy.

IV. Factors of production include natural resources (land) labor (man) and capital goods (tools and machines.)

A. Land or natural resources include fertile soil, minerals, water and timber resources, climate appropriate for growing crops, etc.

B. Labor consists of the human effort including the technical, managerial and administrative skills of the people in a society.

38. Show filmstrips: What the Bank Does with Andy's Money, and What is Profit?

39. Visit a bank in the community for the purpose of finding out what services are offered and how these services are provided. Make arrangements ahead of time and be sure to tell the person who will serve as guide what the class has already studied about banks, or show the film Money in the Bank and Out.

40. Return to the flow chart on the bulletin board. Ask: Do we need to add anything else to this chart to show how money moves in our society? (If necessary, ask: Do we need to add banks to this chart? Why?) Use a cut-out picture of a bank and add it to the chart, perhaps moving some of the other parts of the model around to make room for it. Again add strings (of a different color) to make arrows showing the flow of money, this time from banks to consumers and back again and from ban to business firms and back again.

41. Ask: What will we need if we are going to make doll clo What do we need to cut the grass? To prepare a meal? (List all of the suggestions on the chalkboard.)

Have children examine the lists to find items that have in common. It should now be possible forthem to categor items and place them in three as yet un-named columns; r erials, labor, and tools. Have the children supply appro headings for the columns.

ps: What the Bank Does with Andy's Money,
rofit?

Filmstrip: What the Bank Does With Andy's Money; What is Profit? Warren Schloat Productions.

in the community for the purpose of
what services are offered and how these
provided. Make arrangements ahead of
sure to tell the person who will serve
the class has already studied
or show the film Money in the Bank and Out.

Film: Money in the Bank and Out ; Churchill Films.

flow chart on the bulletin board. Ask:
add anything else to this chart to show
ves in our society? (If necessary, ask: Do
ld banks to this chart? Why?) Use a cut-out
bank and add it to the chart, perhaps
of the other parts of the model around to
r it. Again add strings (of a different
ke arrows showing the flow of money, this
nks to consumers and back again and from banks
firms and back again.

Appendix: Model #4

ill we need if we are going to make doll clothes?
eed to cut the grass? To prepare a meal?
the suggestions on the chalkboard.)

n examine the lists to find items that have something
It should now be possible forthem to categorize the
ace them in three as yet un-named columns; raw mat-
r, and tools. Have the children supply appropriate
the columns.

G. A productive resource is anything which can be used to produce goods or services.

G. Societies produce some capital goods which do not satisfy consumer wants directly, but which are useful to produce more goods and services in the long run.

G. Machinery and power make possible greater production per person and more complicated products.

C. Capital g
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mplicated products.

C. Capital goods include those means of production like tools, machines, and factories, which do not satisfy our wants directly but help us produce what we want.

1. Capital goods enable us to make things, or do jobs faster, to produce more, and to make more complicated goods and provide more complicated services.

Say: Taken all together, these things are called p sources or factors of production. How would you resource? How are the three kinds of resources ali they different? What other kinds of things might b each of these columns? (Get pupils to add by havin of the things needed to produce wheat or corn or fl appropriate climate--or other objects not mentione

42. If the term capital goods has not come up in previ introduce it now. Discuss machines and tools used in cooking, preserving food, cleaning, etc. What m or tools do their parents use in their jobS? (have ask at home.) To reenforce this concept use trans 5 & 6 of Everyday Economics and their related works

43. Ask: How do machines and tools help us? Perhaps how they make jobs easier by having children compa as follows:

    (a) Boiling something on a stove as against makin the yard and boiling it over that fire.

    (b) Sewing something by hand as compared with sew sewing machine.

    Ask: How easy would it be to make an automobile w machines? Could it be done without any tools?

    Show pupils picture of a computer and tell them ho the time for making mathematical computations. Or speed of adding machine by timing it and children' numbers.

44. Have children think of other comparisons such as t pictures comparing work by machine and work by han

ken all together, these things are called productive re-
or factors of production. How would you describe a
? How are the three kinds of resources alike? How are
ferent? What other kinds of things might be placed in
these columns? (Get pupils to add by having them think
hings needed to produce wheat or corn or flowers--e.g.
ate climate--or other objects not mentioned so far.)

erm capital goods has not come up in previous lesson,
e it now. Discuss machines and tools used in the home
ng, preserving food, cleaning, etc. What machines
do their parents use in their jobS? (have children
ome.) To reenforce this concept use transparencies
Everyday Economics and their related worksheets.

Transparencies:
Everyday Economic
# 5 and 6

w do machines and tools help us? Perhaps demonstrate
make jobs easier by having children compare such things
ws:

ling something on a stove as against making a fire in
yard and boiling it over that fire.

ing something by hand as compared with sewing it on a
ing machine.

w easy would it be to make an automobile without any
? Could it be done without any tools?

ils picture of a computer and tell them how it reduces
for making mathematical computations. Or demonstrate
adding machine by timing it and children's addition of

ldren think of other comparisons such as this and make
comparing work by machine and work by hand.

G. Savings (or forgoing present consumption) are needed to obtain capital goods.

G (D) Natural resources are those things in our natural physical environment which can be used to help satisfy man's wants.

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natural physical
hich can be used
fy man's wants.

2. Capital goods are acquired by saving oneself or borrowing the savings of others.

45. Now ask: What is done so that capital goods my be bought? (e.g. What do your parents do in order to get the money to buy a new refrigerator or stove, etc.) Some of the children are likely to say that they save it. Some will say that they get it at the bank. Is it their own or do they borrow it? If it is their own, how does it get to the bank in the first place? (saved) if they borrow it, what do they eventually have to do?

46. Perhaps give pupils a certificate indicating a certain amount of money. On the bulletin board, mount a series of pictures of things which you think they might like to buy with this money. After each, indicate the price of each good. Now ask each child to make a list of the things he would buy with his certificate. Then say: Suppose you wanted to purchase a machine or tool which costs twice as much as the amount on your certificate. What would you do? (Help children see that they would have to forgo the purchase of some things now in order to save money to purchase the capital goods. Or if they borrowed the money now, they would have to forgo the purchase of other goods in the future in order to repay the loan. See Appendix for Student Activity number 3.

47. Say: In other words, when your parents wish to buy capital goods, such as refrigerators, stoves, power mowers, etc, they save and so must give up buying some other things they might want and would use immediately. How do you think factory owners get the money to buy machines and put up factories?

48. Show film Conserving Our Natural Resources, to develop more fully the concept of natural resources.

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erator or stove, etc.) Some of the children
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Is it their own or do they borrow it? If
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Then say: Suppose you wanted to purchase
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ate. What would you do? (Help children see
have to forgo the purchase of some things
save money to purchase the capital goods. Or if
e money now, they would have to forgo the pur-
oods in the future in order to repay the loan.
Student Activity number 3.

Appendix:

Student Activity #3

rds, when your parents wish to buy capital goods,
ators, stoves, power mowers, etc, they save
up buying some other things they might want
mediately. How do you think factory owners
buy machines and put up factories?

ving Our Natural Resources, to develop more
of natural resources.

Film: Conserving Our Natural Resources
Bailey/Film
Associates.

S. Classifies data.

G. There are different kinds of productive resources (factors of production) including natural resources (land), labor (man) and capital goods (tools and machines and buildings to house production.)

G. Many types of goods can be produced from the same natural resource.

S. Uses encyclopedias and other references to locate information.

49. Find pictures of different kinds of productive resources. On the chalkboard make three columns entitled: natural resources, human resources or labor, and capital goods. Have the children identify which factor of production is shown and list the item in the appropriate column.

50. Divide the class into groups to investigate the products which can be made from a single natural resource. Each group might prepare a large poster showing the resource and the products. (Or children might prepare a display of the resource and some of the products produced from it.) Bring to class some of the reference bolks which they might use and teach them how to use them.

51. Now say: You remember that we discussed how our families got the money to buy goods and services. What was the way we mentioned? (write on chalkboard.) Can you think of any other ways we should add now? (Ask enough questions to bring out possibilities of rent and interest.) Perhaps ask children to go home and ask their parents this question. (You may not wish to do so if you have some children whose mothers or parents receive aid from the government.) Ask: What are people doing when they rent buildings or land? (Relate to capital goods and natural resources.)

Now have the children add to their charts on sources of income.

G. Division of labor and specialization make possible increased production.

G. Specialization makes for interdependence.

G (D) In division of labor no one tries to do all of the jobs needed to satisfy wants. The jobs are divided up and done by different people. Even one job may be broken up into a number of operations, each of which is performed by a different person.

G. Division of labor and specialization make possible increased production.

G. Output can be increased by technological progress in the development of tools and machines and power to replace manpower.

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lace manpower.

V. Division of labor and specialization can increase production, but it also increases interdependence.

A. Most goods and services are produced by workers who specialize.

1. Division of labor and specialization help to produce goods and services better and faster.

2. Division of labor results in specialization and interdependence.

52. Say: Let's review the jobs you have at home. Why is necessary? Why is it a good idea to divide up the jo What would happen if everybody in the family tried to jobs? (e.g. cook, make beds, put up shelves, etc.) Wh happen if you didn't do your job? (Bring out interdep among family members.)

53. Project the list of parents' jobs outside of the home Notice the number of different types of occupations. Ask why parents chose their jobs. Discuss freedom of occupational choice in this country.

54. Ask: Why doesn't each family produce everything its use? Did families ever do this? (Review what childre learned in grades one and two, particularly about the family and the colonial family of Boston).

55. Review with children what they learned about how colo women made clothing. Now show the film, How Is Cloth The Story of Mass Production, and have children compa two ways of making clothing. Which system makes it p to produce more clothes? Which requires more workers don't your mothers make all of the clothing for your families?

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ny is it a good idea to divide up the jobs?
ppen if everybody in the family tried to do the same
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didn't do your job? (Bring out interdependence
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Mass Production, and have children compare the
naking clothing. Which system makes it possible
ore clothes? Which requires more workers? Why
others make all of the clothing for your

Film: How is Clothing Made;
The Story of
Mass Production
Bailey/ Film
Associates.

G (D) Specialization means that one person does only one task or job and becomes skilled in its performance

G. Specialization makes for interdependence.

S. Generalizes from data.

G. Cities usually have greater division of labor and specialization than small towns or farm areas.

S. Classifies data.

B. Cities have
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B. Cities have greater specialization than do smaller towns and rural areas.

56. Select a service specialist such as a doctor or dentish. Ask: What other specialists are needed to make it possible for him to do his work? List all of the things children can think of that he needs to do his work and the workers needed to produce them or to provide the services he needs. (e.g. tho needed to make tools and even medical books; those needed to make office furniture; those needed to make laboratory tests; those needed to provide heat for office; etc.) See Student Activity No.4.

57. Have children select some object in the classroom (e.g. map) and make a list of all the specialists necessary to produce and distribute it. (e.g. surveyer, geographer, paper-maker, ink-maker, printer, etc.)

58. Have each child make a chart to show how he and his family are dependent upon many other people for the things they need. Or have a small group of children prepare a bulletin board ent "We Depend Upon Many People."

59. Introduce the yellow pages of the local telephone directory ar one for a large city. (Or if children live in large city, show them the directory of their own city and that for a smaller town or suburb.) Ask: Why is one so much larger thar the other? Why are there more specialists in a large city th in a small town? Assign single letters to small groups of ch Have each group take any five pages under that letter and lis of the main headings of types of goods and services specialis duce. Then have children classify the specialists as produce goods or services.

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his work? List all of the things children can
that he needs to do his work and the workers needed
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make tools and even medical books; those needed to
ce furniture; those needed to make laboratory tests;
ded to provide heat for office; etc.) See Student
No.4.

Appendix:
Student
Activity #4

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large city. (Or if children live in large city,
the directory of their own city and that for a
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l town? Assign single letters to small groups of children.
group take any five pages under that letter and list all
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hen have children classify the specialists as producers of
services.

Telephone
Directory.

G. Division of labor and specialization make possible increased production.

G. Mass production assembly lines use division of labor and specialization to increase output per worker.

G. Output can be increased by a more efficient combination of productive resources (by the way in which production is organized).

G. Division of labor and specialization in any mass production system permits reduction of cost per unit produced.

C. Division of lab
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and firms.

D. Division of labo
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C. Division of labor and specialization are found among different businesses and firms.

D. Division of labor and specialization is found within a business firm. An assembly line illustrates an extreme form of division of labor.

60. Discuss how businesses specialize in different types of goods or services. (e.g. auto plant to make autos, canning factory to produce canned goods; toy factory to produce toys; supermarket to sell food; hardware store to sell hardware; etc.) Ask: Why can more be produced when businesses specialize? What kinds of store do not specialize? What advantages do they have? What disadvantages do they have as against stores which specialize? Are decision-makers necessary? Then ask: What is a fable? What makes it different from other stories? Once the students realize that a fable is designed to teach a principle, read the fable of "Peter and the Fender Bender" After the story is read aloud, ask: What were some of the problems Peter and his friends faced? Are machines worthless without an adequate supply of materials and labor? What is the moral of the fable?

Appendix:

"Peter and The Fender Bender"

61. Set up an assembly line in class and produce a product. For example, plan to produce paper airplanes by an assembly line to reinforce concepts of division of labor and specialization. Be sure to prepare pattern for making parts of airplane ahead of time. You might wish to use three shifts in large classes, and let the others watch what happens as each shift operates. You will need one or more foremen for each shift. Be sure to make a paper product which has enough different parts so that you can have a number of people on the assembly line. For example, the airplane must be complicated enough so that a number of people can make different parts. Also you could use several lines which produce minor parts and which feed into the main assembly line. Build in some bottlenecks such as a bottleneck of materials for some part or a bottleneck of too few laborers at some point in the line. These bottlenecks can be worked out by having pupils suggest ways of overcoming them. They should enable children to understand the problems which arise in keeping an assembly line running smoothly, as well as the advantages of using assembly lines.

Also Ask: What would be the effect on each of you if output decreases because of shortages (or scarcity)? What would be the effect if someone on the assembly line were to fall down on his job? How would it affect the rest of you?

62. An alternative activity which would include many additional concepts, may be setting up a greeting card business. See Appendix for additional information.

63. Keep a record of production and the number of workers on the line for a set period of time during the period when there are bottlenecks and

G. Mass production factories need mass markets in order to be profitable.

G. Mass production assembly lines use division of labor and specialization to increase output per worker.

G. Mass production with its greater specialization and substitution for the same period of time after the bottlenecks are eliminated. Divide the number of planes (or other objects) produced under each system by the number of workers on the line at that time. Put both figures on the chalkboard and ask: How does the organization of the assembly line affect the number of planes produced? Suppose each of those working on the line had been paid two dollars an hour. How would organization of the line affect costs of producing one plane?

64. If you make a complicated enough product so that some children will have difficulty in learning all of the operations, you might have these children try to make these products individually and time themselves as they do it. Then after the assembly line is working well, time the production of one object. Compare the two times. Ask: How do assembly lines affect output? Costs of producing one plane?
(You may wish to take photographs of the assembly line in action and display them with a finished model in the school hall.)

65. Say: Suppose young children were willing to buy this kind of paper airplane they did not know how to make it but wanted it very much. Would it always be wise to get up an assembly line to produce them? Why or why not? How many would you have to sell in order to gain any advantage over producing the planes individually? (Try to bring out idea of need for big demand or market for goods if they are mass produced.)

66. Have children look for examples of assembly lines in their school (e.g. cafeteria assembly line).

67. Visit an assembly such as one in a dairy plant. Afterwards, discuss

of capital goods for labor permits reduction of costs per unit produced.

G. New technological developments bring improved efficiency to tools and machines and increased labor productivity.

G. Competition among producers affects how things will be produced in a private enterprise economy, since each producer will try to arrive at the most efficient use of productive resources in order to compete with others and make greater profits.

G. Firms may compete with each other by cutting prices which means that they must compete in cutting costs of production in order to make a profit and stay in business.

E. Owners of fi
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E. Owners of firms change ways of producing things (the how of production) in order to reduce costs to meet competition and so to make greater profits. Competition and the search for profits provide the incentive for purchasing the capital goods needed for mass production assembly line.

the assembly line including the degree of specialization, the amount of capital goods, the ways in which bottlenecks were avoided, the kinds of problems which could arise, etc. Compare to own assembly line and suggest ways in which they could have improved their own line. Ask: What provides the power to life heavy objects and move objects (electricity)? What advantage does this provide over having men provide all of the power?

68. Ask: Why do you think this business firm goes to all of the expense of buying all of the expensive equipment for this assembly line? Pupils may say so it can produce more or at lower costs. If so, ask why. Why for example, it is interested in lower costs? Would it be as interested if it were the only company making this product? Why or why not? If there are competing companies, why do owners want to reduce production costs?

69. View the film What Is Automation. Ask: What effect does automation have on man? (Stress the fact that man has more leisure time--why this might be a problem.)

Film: What Is Automation, Bailey/Film Associates.

70. Hold a summarizing discussion to emphasize our level of technology as compared to some others children have studied in past years, to emphasize interdependence as a consequence of specialization, and to emphasize the way in which specialization and the use of tools and machines permits people to produce more and more complex goods and services.

G. Barter is inefficient; the development of a monetary system promotes exchange and so a division of labor and greater productivity

G. The private enterprise system provides great freedom of choice for consumers; these choices are influenced by many factors.

G.(D) The price is the amount which must be paid to purchase the good or service. It is the money value of the good or service.

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IV. Consumers must m
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F. Unless goods can be exchanged easily, people must remain fairly self-sufficient. Money promotes exchange and so specialization a division of labor and the higher productivity which accompanies such a division of labor.

IV. Consumers must make choices of what goods and services to buy. A number of factors affect choices.

A. They must make choices because of limited incomes in terms of all the things they would like to consume.

71. Ask: Suppose we did not have a money system and had turn to a system of barter. How easy would it be to assembly line system of division of labor? Any syste people specialize and exchange goods or services whic produce for goods and services which others produce? does money make it easier to increase production?

72. Obtain copies of small catalogs printed by local com by mail-order houses. Inside each catalog place an o blank and a sheet of paper indicating the reasons fo ordering goods and the amount of money that can be sp The reasons and amount should vary for some of the c Distribute the catalogs to each child. (You could tea some of the catalogs and give each child only one sec However, be sure to include pages which children migh to use.)

Say: What is a catalog? How is a catalog used? Eac has been given a catalog with an order blank. Look c to see how the order blank is to be filled out. Illu briefly the process of filling out an order blank. C to the headings. Be sure to make sure children unders meaning of price.

Say: Attached to your order blank is a sheet of pape you the people for whom you are to buy gifts and the the money you have to spend. Read this statement care Think carefully about your reasons for ordering goods help you to make the best choices. Keep in mind how m you have to spend. The total amount you spend cannot what you have. Choose the items you wish to order an in the order blank.

Allow a short but sufficient amount of time for the ch order. After the majority of the children have finis discussion by saying: Did anyone order everything in Why not? What did you have to do when you wanted two could only afford to pay for one? Do consumers always make choices? Why? Write on the chalkboard children' why consumers must make choices.

se we did not have a money system and had to re-
ystem of barter. How easy would it be to have an
he system of division of labor? Any system in which
ialize and exchange goods or services which they
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r houses. Inside each catalog place an order
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ods and the amount of money that can be spent in ordering.
and amount should vary for some of the children.
he catalogs to each child. (You could tear apart
catalogs and give each child only one section.
sure to include pages which children might want

Appendix:

Order blank and
Instructions.

s a catalog? How is a catalog used? Each of you
en a catalog with an order blank. Look carefully
he order blank is to be filled out. Illustrate
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blank.

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r the majority of the children have finished, begin a
y saying: Did anyone order everything in the catalog?
at did you have to do when you wanted two things and
fford to pay for one? Do consumers always have to
? Why? Write on the chalkboard children's reasons
s must make choices.

G. Prices can influence our choice-making.

G. Preference can influence our choice-making.

B. There are many f
choice.

1. Choices are a

2. Choices are a
money people

G. Prices can influence our choice-making.

G. Preference can influence our choice-making.

3. Choices are a
ferences for
and services.

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B. There are many factors affecting consumer choice.

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1. Choices are affected by prices.

2. Choices are affected by the amount of money people have.

ce our choice-

luence our

3. Choices are affected by personal preferences for certain kinds of goods and services.

73. Ask: What kinds of things helped you to make a
Write this list of reasons given by the children
board. Then in order to show that choices neces
what a family most wants to do, what it can affo
has time to do; use the lesson relating to Mr. G
as detailed in the Appendix.

74. Say: The following examples of goods will help
clearly whey we make certain choices as consumer
ball point pens. One is market at 10 cents. Th
box and marked at about two dollars. Ask: What
are these? Both are ball point pens. How are t
Suppose you went into a dime store and chose to
10 cent pen. What might be your reasons for mak
Pupils will probably suggest price or cheap pric
ask more questions to bring out reasons, includi
Write price on the chalkboard. Also ask: Suppo
of the money you want. Would you necessarily ch
pen? Why or why not?

75. Say: Suppose you went to a grocery store to buy
and found that they only sold two kinds of candy
same price. If these two candy bars were the tw
choose from what would be your choice? Why do

inds of things helped you to make a choice?
ist of reasons given by the children on the chalk-
in order to show that choices necessarily reflect
y most wants to do, what it can afford, and what it
do; use the lesson relating to Mr. Green's paycheck
in the Appendix.

Appendix:

"Mr. Green's
Paycheck".

llowing examples of goods will help us to see more
we make certain choices as consumers. Show two
ens. One is market at 10 cents. The other is in a
ed at about two dollars. Ask: What kind of goods
Both are ball point pens. How are they different?
went into a dime store and chose to buy the
What might be your reasons for making this choice?
probably suggest price or cheap price etc. If not,
stions to bring out reasons, including price.
on the chalkboard. Also ask: Suppose you had all
you want. Would you necessarily choose the same
why not?

2 Ball point
pens with very
different
prices.

e you went to a grocery store to buy a candy bar
at they only sold two kinds of candy bars at the
If these two candy bars were the two you had to
what would be your choice? Why do some people

2 candy bars
different kinds

	4. Choices of relat services
G. Quality influences consumer choices.	5. Choices of good
G. Packaging may influence consumer choices.	6. Choices aging.

4. Choices are affected by the feeling of relative need for goods and services.

consumer

5. Choices are affected by the quality of goods and services.

luence

6. Choices may be influenced by packaging.

chose the first and other of you choose the second? What is influencing your decision? Write reason under "price" on chalkboard if it is not already there.

76. Ask: Suppose your family wants to buy a new car and also build an addition to the house. What things would you think about in trying to make a choice? Are any of these reasons different from those we have listed already? (add to list if necessary.)

77. Ask: Which would you choose to buy if you needed both: shoes or a school book? Why? Which would you buy if you had neither: a sled or a wagon? a sled or a toboggan?(Try to help children understand that choices will depend upon such factors as the relative need for objects and the degree to which the person making the decision likes different objects. Choices would not be the same for each child.)

78. Say: Suppose you were given a choice between these two kinds of paper. (Show a piece of newsprint paper and a piece of smooth white notebook paper or a piece of good construction paper and a piece of thin, poor quality paper which children have shown in the past that they dislike. Say: This piece (show poor quality paper) is less expensive. Why might you choose this other piece (show good quality paper) instead? Help children see that quality influences their choices. Write quality on the chalkboard after the other reasons children have given for making choices.

79. Bring in additional samples to illustrate other factors which might influence choice, for example, bring in two packages of the same general type of product in very different kinds of packaging. Perhaps choose one which seems larger than another but includes only the same amount as the other product. Let children decide which one they or their mothers might choose and explain why.

6. Advertising is used to persuade consumers to make certain choices as against other choices.

7. Advertis
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ake certain
inst other

7. Advertising is used to persuade consumers to make certain choices as against other choices.

Discuss effects of packaging on consumer choice. Add this reason to the list on the chalkboard.

80. Say: We have discussed a number of factors that influence our decisions. Today we are going to see another important factor that influences consumer decisions in our community.

Obtain copies of issues of the community newspaper which contains full page ads of sales and prices of goods in local grocery stores. Obtain copies of other issues containing numerous advertisements of used cars for sale in the community (or use other products boys like.)

Copies of local newspapers

Divide the girls into groups of three or four. Give each group a grocery shopping list which includes goods that will vary in prices, as advertised in the paper by different stores. The lists should also include goods that will allow a choice in quality, brand, etc. (perhaps ads for turkey if it is close to Thnaksgiving.) Give each group the same list so that comparisons can be made.

Give each group the same set of four different issues of the community newspaper. Each girl should receive one paper. The items on the list should be considered in order. For each choice the alternatives should be clipped from the paper and mounted on construction paper. The choice should be circled and the reasons for choosing each item should be listed.

Divide the boys into groups of three or four. Give each group a set of four different issues of the community newspaper. Have them each select the best car (or other product) to be used for the purposes written on a list.

After the groups have completed most of their "shopping", rotate members of groups by asking two members of each group to remain stationary and two members of another group to join the group for discussion of choices.

G. The private enterprise system provides great freedom of choice for consumers.

G. (D) Demand differs from wants in that when there is demand, there is a want backed up by the willingness to pay for the product.

G. Other things being equal, the lower the price, the greater the demand usually is; the higher the price, the

VII. Prices are affect
in turn affect su

A. Demand is aff
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VII. Prices are affected by supply and demand and in turn affect supply and demand.

A. Demand is affected by the price of goods, and prices are affected by supply and demand.

After informal comparisons have been made, c
papers. Ask: What kinds of choices did you
make today? Do customers have to make these
choices? How does newspaper advertising aff
choices?

81. Select sets of contrasting advertisements to
of advertisements on children's choices. Gi
tunity to make decisions after viewing each
that influenced their decisions.

82. Samples of different kinds of advertising ma
bulletin board.
Show how advertising appeals to the five sen
ads. along with symbols of senses which are

Now ask: How do producers use TV to adverti
How have TV ads affected your choices or cho
parents?

83. Say: We have found that consumers in our so
choices. How much freedom does a consumer h
to make choices as to how he can spend his i
government affect his spending in any way? (
money, Government may affect spending during
purchase of scarce items such as shoes or su
the specialization of businesses, technologi
greatly increased production since colonial
(Expand number of things from which consumer

84. Say: Today I have brough some candy bars to
want to have one if it is a gift? Where shou
number of us wanting candy bars? List number
them under "wants". Ask: What will we have t
if all of us will be able to get the candy b

Take two candy bars out of a bag and ask: Wh
supply. Is the supply large enough to satis
we do? Record the suggestions of the childr

risons have been made, collect the
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omers have to make these same kinds of
ewspaper advertising affect consumer's

asting advertisements to illustrate the effect
children's choices. Give the children oppor-
ions after viewing each set. Discuss factors
r decisions.

kinds of advertising may be displayed on the

appeals to the five senses by posting the
ols of senses which are stimultaed by the ads.

ducers use TV to advertise their goods?
cted your choices or choices made by your

Appendix:
Student Acti-
vity #5

that consumers in our society must make many
reedom does a consumer have in our society
o how he can spend his income? Does the
s spending in any way? (Taxes take some
y affect spending during wartime by limiting
tems such as shoes or sugar, etc.) How does
f businesses, technological developments, and
oduction since colonial days affect consumer choice?
ings from which consumer can choose.)

ough some candy bars to class. How many of you
it is a gift? Where should we write the
candy bars? List number of children wanting
Ask: What will we have to know before we know
able to get the candy bar that we want.

Two Candy
bars (of
same kind).

out of a bag and ask: What number will represent the
ly large enough to satisfy the wants? What shall
uggestions of the children on the chalkboard. Discuss

less the demand usually is--except in the case of certain types of goods.

G. Other things being equal, the price of a goods rises when the good is in short supply as compared to the demand for the good and falls when the supply' of the good is larger than the demand at the existing price.

G. The degree to which changes in prices affect demand depends upon the degree to which consumers consider the good or service essential to them.

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is larger than the demand at
price.

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B. The demand for some goods is inelastic; that is, it varies little with price because consumers consider it essential and there is no good substitute for it.

each one. Introduce the idea of demand as distinguished from wants. Tell the children to imagine that these are the only two candy bars in the city this week. Now ask how many children would pay five cents for a bar? 10¢? 15¢? 20¢? 25¢? (Raise until no one will pay the price.) Tell children that when we speak of our demand we mean that we will back up our wants with money up to a certain amount. Make a graph to illustrate the demand of the class for candy bars. Now say: Suppose I were to eat one bar myself and that I want to sell the other one rather than giving it away. Pretend that you are in my place. How much money would you ask for the bar in this class? Why? Now suppose that I were not to eat the first bar. I have two bars to sell. Could I get as much money for each? Why or why not? Could I get as much if I wanted to sell a whole box of candy bars in class? Why?

85. Say: Suppose I were to bring in (Name another object which you are sure pupils would like even better than a candy bar.) I want to sell it in class. How many would pay ten cents for it? 25¢?, etc. (Keep raising price named until no one will pay it) What is the demand in this class for this object at 10¢ etc? Make a bar graph to indicate the demand. Ask: How much could I sell this object for in this class? Now compare the two objects. Which could I sell for more? Why?

86. Suppose the cost of _________ (name some currently popular cereal) is doubled. Do you think your mother would continue to buy it? Why or why not? (could substitute another one that is cheaper.) Suppose the cost of salt were doubled. Would your mother continue to buy it? Why or why not? (If children do not understand the importance of salt, illustrate by by passing out popcorn which has not been salted. Children may say there is a substitute for salt. Perhaps let pupils have a very little taste of it, or tell them that it is bitter.) Ask: What difference do you see between these two goods? How does the difference

Unsalted Po
corn.

G. Demand affects the supply of goods and services by affecting the prices. Other things being equal, the higher the price for a good, the larger the quantity which will become available for sale.

C.

G. (D) Competition exists where there are a number of seller and buyers of a product or service and no single seller can dominate or control the market price.

D.

G. Firms may compete with each by cutting prices.

G. Firms may compete with each other by heavy advertising to make their products better known and so increase the demand for their product rather than for competing products.

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C. Consumer demand, by affecting prices, affects what is produced.

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D. Business firms compete in selling the same goods; they try to gain consumers by advertising, by cutting prices, and by improving or changing products.

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affect prices? (Difference between elastic demand and inelastic demand.) What factors besides possible substitutes might affect the demand for a good? (Ask further questions as needed to bring out difference between what people might think of as necessities and luxuries as well as difference in price.)

87. Now say: Suppose you are me. You want to sell another of one of these objects (hold up objects used in activity #86 and 87) in class tomorrow. Which object would you bring to class? Why? Suppose you produced both objects yourself. Which would you produce more of? Why? How would the class have affected what you produce?

88. Say: Suppose you have enough money to start any of the following businesses. How many of you would want to start a factory to produce horseshoes? Oil lamps? Hula Hoops? Smoke signal kits? How many of you would want to go into the business of raising horses to pull wagons? Why or why not? What kind of industry might you want to put your money into? Why?

89. Say: We have been looking at factors which affect consumer choice. Consumers frequently have to decide whether or not to buy a certain product (name one) from one company or another. These two companies are competing with each other in sales. Why might each wish to sell as many of his products as possible? What does the word competing mean? Why are they competing? (to make as great profits as possible). What ways have we found that businesses might compete with each other? (lower prices, advertising, quality improvement, packaging, etc.

G. Firms may compete with each other by trying to improve the quality of their product or by product differentiation.

G. Firms may compete with each other by trying to introduce substitute products which will be more attractive to consumers or cheaper.

G. The money incomes people receive whether in the form of wages, interest, rents, or profits, is the main factor in determining how goods and services will be divided--who will get what part of the goods and services produced in a country.

G. There are other ways of deciding who should get scarce goods and services.

G. Wage rates are affected by the supply and demand for labor.

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E. In general in our society, prices and incomes affect who gets what goods, but there could be other ways of making such decisions.

F. Supply and demand for labor affects wages and so the distribution of goods and services.

90. Ask: If I am selling two candy bars in class, what decides who will get them? (who has the money to pay the most for them.) Ask: Could I as a teacher use some other way of deciding who would get the candy bars than giving them to the people who will pay the most? What ways might I use? (e.g. giving to person who needed it the most because underweight, giving it to person who is oldest or youngest, etc.) Now cut up several candy bars into small equal sections and give a piece to each child. Ask: What way did I use in deciding who would get the candy? Is it the system used in our society to decide who will get goods and services? What is the main way in which goods and services and divided up in our society? (Money income)

Candy Bars

91. Say: Suppose your father or uncle were a ______. Name some occupation. He wants a new job, and so he looks in the want ads section of the Sunday newspaper. (Make sure that children understand what this section is.) Suppose that he finds the following list of ads looking for people in this occupation and this list of people who are looking for such jobs. (Project a sheet of paper on which you have placed parallel lists of help wanted and jobs wanted for the same occupation. This time have many more people wanting the job than there are jobs available.) Ask: How easy would it be for your father to get this job?

G. Other things being equal, the price of a good rises when the good is in short supply as compared to the demand for the good and falls when the supply of the good is larger than the demand at the existing price. (This is true for natural resources as well as for finished products.)

G (D) The costs of production include the prices which must be paid by the firm for all the productive resources needed in production.

G. Different parts of a city usually have different but interrelated function.

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G. Supply and demand affect the prices of natural resources and so costs of production.

VII. Business firms try to reduce costs and so increase profits by selecting the most favorable location for their store or factory.

A. Some sections of a city are specialized; they may be devoted to retail stores, wholesale stores, manufacturing, or residential housing; such specialization results in part because of costs factors (of land) and access to potential consumers.

(Now project a sheet of paper showing many more jobs available than jobs wanted in the same occupation.) Would it be easier or harder for your father to get a job in this case? Why? In which case would he be more likely to get a higher wage? Why? (Help children understand that supply and demand affects wage rates as well as price for goods and services.)

92. Say: Suppose you are the producer of X. What resource do you need? What other producer needs this resource? How might the fact that he needs the resource affect you? What is likely to happen to the cost or price of the resource? Why? Suppose you could make your product from several different resources. Which would you use? One which is used to make other products or one not so used? (Let's say that both are in equal supply.) How would the possibility of a substitute resource affect the cost of the first resource? Why? Be sure the children understand the meaning of the term cost of production.

93. Review what pupils learned in earlier grades about the division of a city into sections specializing on different things. (e.g. second grade study of Moscow in unit on Soviet Urban Family; third grade study of New York, and of the Paris Community.) Review reasons for these divisions.

G. Some things can be produced better in one place than another because of climate, resources, access, people's skills, closeness to market.

G. People in most societies of the world depend on people who live in other communities or countries for certain goods and services and for markets for their goods.

S. Understands use of map symbols to represent reality.

G. Some things can be produced better in one place than another because of climate, resources. skills of people, access, closeness to markets, etc.

S. Interprets map symbols in terms of key or legend.

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B. Different parts of a country may specialize in the production of certain products. The location of particular industries depends upon such factors as the availability of all natural resources needed, labor, transportation facilities, and access to markets.

1. Some things can be produced more efficiently in one place rather than another because of climate, resources, access to resources, available labor, people's skills, and distance from and access to markets.

94. Review what pupils have learned in earlier grades about ways in which different places depend upon other places for goods and services. Why don't they produce all of the things they need or want? Ask: What do you think might be reasons why a certain industry would grow up in a particular region? Suppose you wish to make flour. Where would you set up a factory? What would you need? (e.g. wheat--natural resources; labor as well as capital.) Suppose you built a factory to produce flour in a wilderness area? What problem would you face in addition to that of try to get resources and labor?

95. Project a transparency outline map of an "imaginary country"on the overhead projector. Scale and direction must be indicated on the map. Say: This is a map of an imaginary country which we will pretend is located somewhere on our earth. What would be a good name for this country? Title the map using the name suggested by one of the children. Say: Let's make up the name of a resource which is located somewhere in this country. What shall we name the resource that we will be talking about? What shall we name the main-type of goods produced from (name resource)? Write the first appropriate names given for both the resource and goods on the chalkboard. Show the relationship between the resource and good produced from it with an arrow. Ask: Where might we find a large deposit of (name resource) in (name country)? How can we indicate this location on the map? Mark the resource location on the map using suggested symbols. Preferably shade or outline the location of the resource. Continue by saying: The two largest cites in (name country) are located here, and here. (Name them X and Y; use capital letter.) Mark cities using black circles with white centers. Place one city relatively close to the location of the resource. Place the other somewhat farther away from the resource location in the opposite direction. Label each city with a capital

G. Location of production is
influenced by physical features which affect
transportation and access to resources.

G. Location of production is
influenced by access to markets.

letter. Say: There are many smaller towns in (n
Three of them are located here, here and here. A
speaking, indicate the location of the towns by u
place one of the samll towns approximately the sa
the resource as the closest city. Place the seco
the resource but in a direction opposite the firs
a third town farthest from the resource, near a b
country. Give each town a name in the form of a
Ask: What must we add to our map to help others u
each shybol means? What do we call this form of
Place a key on the map. Say: We said that (name
main types of goods produced from (name resource.
carefully at the map, where might we expect to fi
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will probably answer city "X" which is the city n
resource. Assuming that "X" is selected ask: Wh
city X is the most probably place where (name goo
from (name resource)? Say: Town "a" and town "b"
close or closer to the location of (name resource
Why did you choose a city rather than a town? etc

96. Use transparency No. 7 of Everyday Economics. Vie
Communities Trade Goods.

97. Again project the transparency of this"imaginary"
Ask: In looking carefully at this map we had dec
"X" was the most probably location for the produc
(name goods). In view of the influences of cost o
portation and location of the other resources upo
duction of steel, what can we say about our choic
as the location for production? Place mountains o
tween city "X" and the resource deposits. Ask: I
that there was a very high chain of mountains be
"X" and the location for production, what alterna
we choose? Why has "X" become an unlikely locati

etter. Say: There are many smaller towns in (name country)
hree of them are located here, here and here. As you are
peaking, indicate the location of the towns by using a black dot.
lace one of the samll towns approximately the same distance from
he resource as the closest city. Place the second town nerere
he resource but in a direction opposite the first city. Place
third town farthest from the resource, near a border of the
ountry. Give each town a name in the form of a small letter.
sk: What must we add to our map to help others understand what
ach shybol means? What do we call this form of information?
lace a key on the map. Say: We said that (name goods) were the
ain types of goods produced from (name resource.) Looking
arefully at the map, where might we expect to find (name goods)
roduced? The lesson might proceed as follows: The children
ill probably answer city "X" which is the city nearest the
esource. Assuming that "X" is selected ask: Why do you think
ity X is the most probably place where (name goods) are produced
rom (name resource)? Say: Town "a" and town "b" are just as
lose or closer to the location of (name resource.)
y did you choose a city rather than a town? etc.

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the location for production? Place mountains on the map be-
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at there was a very high chain of mountains between city
" and the location for production, what alternative might
choose? Why has "X" become an unlikely location? How is

Transparency:
Everyday Eco-
nomics, #7

Transparency
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Country, Over-
head Projector

G. Some things can be produced better in one place than in another because of climate, resources, access to resources, available transportation, closeness to markets, labor supply, etc.

this related to transportation? How is it related to cost? Now remove mountains and draw in a river which flows next to the resource and through city "Y". Which city might be the best place to produce (name of product)? Why? Add a sea along the coast nearest the town "C". Say: If we found out that most of (name goods) were not used in (name of country) but shipped on to other countries across this sea, how might this change our idea of where (name goods) will be produced? Why?

98. Culminating Procedures

Have each child study one local producer and prepare a scrapbook on it. You may wish to give children a sheet containing directions such as those found in the appendix. Afterwards, place these booklets on display on the library table and let children prepare graph showing them. Have one group of children prepare a graph showing the number of different firms which were owned individually, the number which were parnerships, the number which were corporations, and the number which were cooperatives. Have another committee prepare a map on which they locate all of the companies. (afterwards discuss the map, noting any concentration of companies.) Have another committee examine the booklets to compare the number of workers in the different firms. They should prepare a chart to show their findings. Another committee might prepare a chart to show the number of firms which used assembly lines as against the number of firms which did not use assembly lines.

G. Business forms are organized as individual proprietorships, as partnerships, as corporations, or as producers' or consumers' cooperatives.

G. People in most societies of the world depend on people who live in other communities or countries for certain goods and services and for markets for their goods.

G. The parts of a system (including an economic system) are interconnected .

S. Interprets flow charts or models.

G. Economic models simplify the economy to make it easier to understand.

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XI. All of the factors studied fit together in our economic system to resolve certain questions of what and how much shall be produced, how they will be produced, and who will get what share of what is produced. Our economic system differs somewhat from other economic systems in the way in which these questions are resolved.

A. The major factors and components of a system affect each other. We have studied some of them and some of the ways they affect each other. In other words, we have studied a simplified model of our

99. Bring a radio to class. (it should be large enough to have different buttons to push or preferably dials to turn. and hopefully the back will be open so that pupils can see the various wires, etc.) Ask: What are the different parts of this radio which you can see? What would happen if you removed a part? How are these parts connected? What happens if you turn this knob? If you turn this knob? If you turn these two knobs together? Let pupils try. Could we draw a simple diagram on the board to show the main parts of this radio? (try to do so, keeping the diagram simple.) Point out that we could speak of the radio as a system made up of many parts connected in certains ways and acting together to do certain things. When we do something to one part, it affects other parts in certain ways and in the same way each time we do it. The pupil demonstrates. Ask: What is this system built to do. Have we included all of the ways in which parts are connected or act? Why not? Does the diagram still have some value in showing us something about the radio. Why? Radio

G. The flow of income in a private enterprise system can be broken down into three general types of flows: Between business and the public (producers and consumers); between the government and both producers and consumers; and between both savers and investors.

G. In a private enterprise system, it is the market which serves largely to resolve the questions of: What and how much shall be produced? How shall it be produced? Who will get what products and services?

G. Government taxation and spending policies affect what and how much shall be produced and

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B. An economic system is faced with scarcity if all wants are considered. Each systhem resolves in some fashion or another certain basic economic questions arising out of this scarcity.

1. The market is the basic institution of the American economy.

   a. Consumers, producers, workers, savers, and investors make free decisions in the market based on tastes and desires, on

100. Now point out that pupils have been studying another kind of system--an economic system. It is made up a various parts which are connected in certain ways. What does the economic system do. (What is its purpose)? What are some of the major parts which they have studied? How are these parts connected? Have pupils make a simple diagram. Perhaps make a simple flow chart like the one put on the bulletin board earlier.

Now ask pupils what would happen if one part acted in a certain way. e.g. Producers reduce production, consumers hide money and don't buy, etc. How would it affect the other parts? Do pupils think they have listed all of the parts or connections? Why not? Can they think of any others? Is there any possible advantage to listing only the major parts and major connections.

Perhaps also have pupils think of some other models which they have made (such as plane models, models of cars, models of houses, etc.) How are such models simplified? Why? Ask pupils to think of building a house which they can plan in any way they like. Why might they want to make a rough model of it before they build it? Try to help pupils see what we mean by models and their advantages.

101. Now have pupils look at their diagram of our economic system. Ask: How are pencils (or some other object) made? Who decides how many to make? Why does he decide to make this many and not more or fewer? Who in the long run then affects the decisions as to how much and what will be produced in our society? How do producers affect this decision? What ways might be used to make pencils? (Discuss making by hand, by machine, etc.) Who decides how the pencils will be made? What will affect his decisions? How are pencils divided among the people of the country or community? How might the government affect the production of pencils?

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the amount of money they have, on aspirations for income.

b. These choices affect supply and demand for products and services and productive resources; therefore, they affect indirectly what will be produced, how they will be produced, and who will get what part of what is produced.

1. In a private enterprise system decisions about what and how much to produce are made largely by producers who adjust production or enter new fields or production in response to changing patterns of consumer demand. Producers tend to produce those goods on which they can make the greatest profits. The profit motive not only encourages producers to produce, but it provides the incentive for the production of specific kinds of goods and services rather than others, thus shifting production in terms of consumer demands.

2. Competition among producers determines how things will be produced in a private enterprise economy, since each producer will try to arrive at the most efficient use of productive resources in order to compete with others andmake profits.

the division of pencils? etc. (Review what pupils learned earlier about prices as you discuss these questions.) Now explain the meaning of market.

Review the concept of scarcity as compared to people's wants. Perhaps tell pupils that some people who study economics say that every system somehow or other arrives at certain ways of settling basic questions: What and how much shall be produced? How shall it be produced? Who shall get what is produced? And how much in total should be produced? Use questions to help them see that there may be no one group or person who makes these decisions, that many people making individual choices may affect production and distribution.

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G. Economic systems differ as to **how questions are resolved about what and how much to produce, how it shall be produced, and who shall get what goods and services.**

2. Economic systems
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are produced.

3. The money incomes people receive, whether in the form of wages, interest, rents, or profits, is the main factor in determining how goods and services will be divided--who will get what part of the goods and services produced in a country

c. Government taxation and spending policies affect what, how much shall be produced, and who will get what.

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2. Economic systems differ in how these questions are resolved, including who makes decisions and the technology by which things are produced.

102. Ask: How does the economy of our community differ from that of other communities which we have studied in the past years? (Be sure to compare technology and relate to question: How should things be produced?)

103. Ask: What ways might there be of settling these basic questions other than those we found in our community? Let pupils think of possible ways. Say: Keep these ideas in mind as we study other communities this year. Let's find out if any of your ideas are carried out in other places.

EDUCATIONAL MEDIA

FILMS

Conserving our Natural Resources, Bailey/Film Associates.

How Is Clothing Made, Story of Mass Production, Bailey/Film Associates.

Money in the Bank and out, Churchill Films.

Story of Our Money System, Coronet Films.

What is Automation, Bailey/Film Associates.

Why Communities Trade Goods, Churchill Films.

FILMSTRIPS

What Is Profit? Warren Schloat Productions, Inc.

What the Bank Does with Andy's Money, Warren Schloat Productions, Inc.

TRANSPARENCIES

Everyday Economics: 4, Noble and Noble Publishers, Inc.

APPENDIX

ASSIGNMENT ON LOCAL COMPANY THAT PRODUCES GOODS

You are to study one local company that produces goods. It may be the company where your father works. Or maybe you know someone who works there.

Make a scrapbook about your company. Try if possible to visit your company. Remember to label things and to do neat, careful work.

Include in your scrapbook as many of the following materials as possible.

1. Printed materials--booklets, pamphlets, etc. from the company.
2. Correspondence--letters from company to you; copies of letters you set to company.
3. Photos or drawings of the company building.

Make a scrapbook about your company. Try if possible to visit your company. Remember to label things and to do neat, careful work.

Include in your scrapbook as many of the following materials as possible.

1. Printed materials--booklets, pamphlets, etc. from the company.
2. Correspondence--letters from company to you; copies of letters you set to company.
3. Photos or drawings of the company building.
4. Location of the company-if possible marked on a local map.

Investigate the economic facts about your company and include in your scrapbook reports, pictures samples, maps, drawings, pamphlets etc. which tell about the following.

1. Natural resources used in this company's production.
2. Tools and machines used in this company's production.
3. Labor--people who produce the goods; types of jobs done; number of workers; any work done on an assembly line.
4. Location--try to find out why this company is located in this area.
5. Advertising and sales--collect advertising; find out other ways company tries to sell its goods.
6. Type of company organization--is it owned by a single person or family? Is it a partnership? Is it a corporation?Cooperative?

ASSIGNMENT ON LOCAL COMPANY THAT PRODUCES GOODS

7. Products made--include samples of goods or pictures of goods produced by this company, or include box fronts and labels. etc.

Try if possible to interview someone who works for the company. Write a report on what you learned or tape record the interview.

These scrapbooks are due on ________________. You may have help from Mother and Dad in gathering your materials, in arranging interviews and in visiting the plant.

PURCHASE OF MANHATTAN ISLAND

The Dutch set up the first colony in New York. The govenor gave the Manhattan Indians a number of trinkets. (They were worth about $24 in our money.) In return the Indians gave him the right to settle on Manhattan Island.

A TRADE

Last night after school, Susan lost her best peerie shooter to Brad in a game for keeps. Susan's friend Ellen had several peerie shooters, so she said she would trade one to Susan for five of Susan's cat eyes. Now Susan had a shooter again and Ellen was happy to have more marbles too.

Peeries--glass Chinese Peeries--opaque glass	Both easily obtained but fairly valuable
Cat eyes--transparent glass with swirl of color	Not very valuable
Steelies--like ball bearings	
Shooters--all kinds only bigger than others	Very valuable Valuable

DIFFERENT SETS OF DIRECTIONS FOR ORDERING FROM CATALOGS

Set 1
You are to buy gifts for the following people:
1. Little brother -- age 3
2. Little sister -- age 6
3. Big brother -- age 12
4. Big sister -- age 16
5. Mother and Dad
6. A twin -- who, of course, is your age.

YOU HAVE $30.00 TO SPEND

Set 2
You are to buy gifts for the following people:
1. Baby sister age 1 and half
2. Big brother -- age 15
3. Big sister -- age 11
4. Mother
5. Dad
6. A friend who is just your age.

YOU HAVE $25.00 TO SPEND.

Set 3
You are to buy gifts for the following people:
1. Baby brother -- age 1
2. Big sister -- age 12
3. Mother
4. Dad
5. Grandma
6. A cousin who is just your age.

YOU HAVE $20.00 TO SPEND.

SUPERAMERICA CATALOG

Date________________

Invoice Number__________

ORDER FORM

Please print or type

Ship to________________________________

Address________________________________

City, State ____________________________

Zip Code_______________________________

Do not Use this Space	Quantity	Catalog Number	Description		Price

Total for Merchandise Ordered

Loan Application

School Bank & Trust Company

Promisory Note

We____________________promise to pay the sum

of ____________________plus 4% interest at the

end of 30 days.

____________Treasurer

____________President

APPLICATION FOR EMPLOYMENT

Name of Applicant______________________________ Homeroom____________

Address____ Age________

Position Received:_______________________________________

First Choice: Qualifications:

Second Choice:

Third Choice:

GREETING CARD COMPANY ACTIVITIES

Lesson I

1. Discuss purpose of company (produce greeting cards:

   production-division of labor custom.)

2. Organize company

   a. Discuss organization chart (shows responsibility of each person and, thus, his contribution to the company.) Stress-all parts needed to accomplish the purpose of the company.

   b. Discuss function to be performed in each area.

   c. Have applications filed. (See sample)

   d. Name the company-have children give suggestions and vote.

3. Trade Mark

   a. Discuss what a trade mark is

   b. Show samples of trade marks

   c. Design a trade mark - this may be in the form of a contest. The winner will be given an award at conclusion of project.

Lesson II

1. President meets with Board of Directors (Teachers) to review applications. (Interviews are held, if necessary.)

2. President and Board select three possible trade marks and the company votes on these.

Lesson III

1. Assign each task and go over each job in detail. (Each person should be given a job description.)

a. V.P. - Design starts his group working on designs and verses.

b. V.P. - Sales starts his group preparing an estimate of projected sales (sales forecast). Also determines percentage of production cards that will be sold and the percentage of custom cards that will be sold. (This may be done by visiting the various rooms in the school that will be purchasing cards and asking for the number of people that will be interested in purchasing each kind.

c. After sales forecast is prepared, present this to V.P. - Production so that he may determine materials needed and costs of production.

d. V.P. - Production starts setting up lines of production (physical set-up).

Lesson IV

1. Reports of sales forecasts

2. Production Department provides estimates of material requirements

3. Treasurer determines money needed to buy materials to start production. (This should include a nominal amount for materials readily available such as school supplies.)

    a. Treasurer makes arrangements for loan. (See sample loan application.) Teachers may act as bank.

4. Advertising Department makes posters and distributes advertising materials.

Lesson V

1. Designers should have designs ready for production: samples should be prepared for salesmen.

2. Artists should br preparing custom cards.

Lessons VI, VII, VIII

Production of cards.

Lesson IX

1. Make arrangements for selling and set up of merchandising.
2. Final day of production

Lesson X, XI

Sale of greeting cards.

Lesson XII

Financial Review
Discuss generalizations which resulted from this activity.

THE FISHERMAN AND HIS WIFE

There was once upon a time a Fisherman who lived with his wife in a miserable hovel close by the sea, and every day he went out fishing. And once as he was sitting with his rod, looking at the clear water, his line suddenly went down, far down below, and when he drew it up again, he brought out a large Flounder. Then the Flounder said to him, "Hark, you Fisherman, I pray you, let me live, I am no Flounder really, but an enchanted prince. What good will it do you to kill me? I should not be goood to eat, put me in the water again, and let me go." "Come," said the Fisherman, "there is no need for so many words about it - a fish that can talk I should certainly let go, anyhow," with that he put him back again into the clear water, and the Flounder went to the bottom, leaving a long streak of blood behind him. Then the Fisherman got up and went home to his wife in the hovel.

"Husband," said the woman, "have you caught nothing to-day?" "No," said the man, "I did catch a Flounder, who said he was an enchanted prince, so I let him go again." "did you not wish for anything first?" said the woman. "No," said the man; "what should I wish for?" "Ah," said the woman, "it is surely hard to have to live always in this dirty hovel; you might have wished for a

From Grimm's Household Tales, translated by Margaret Hunt small cottage, he will certainly give us that.""Ah," said the man, "why should I go there again?""Why, " said the woman, "you did catch him, and you let him go again; he is sure to do it. Go at once." The man still did not quite like to go, but did not like to oppose his wife either, and went to the sea.

When he got there the sea was all green and yellow, and no longer smooth; so he stood and said:

"Flounder, flounder in the sea,
Come, I pray thee, here to me;
For my wife, good Ilsabil,
Wills not as I'd have her will."

Then the flounder came swimming to him and said: "Well, what does she want then?" "Ah," said the man, "I did catch you, and my wife says I really ought to have wished for something. She does not like to live in a wretched hovel any longer; she would like to have a cottage," "Go, then" said the Flounder, "She has it already."

When the man went home, his wife was no longer in the hovel, When he got there the sea was all green and yellow, and no longer smooth; so he stood and said:

"Flounder, flounder in the sea,
Come, I pray thee, here to me;
For my wife, good Ilsabil,
Wills not as I'd have her will."

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When the man went home, his wife was no longer in the hovel, but instead of it there sttod a small cottage, and she was sitting on a bench before the door. Then she took him by the hand and said to him "Just come inside. Look, now isn't this a great deal better?" So they went in, and there was a small porch, and a pretty little parlour and a bedroom, and a kitchen and pantry, with the best of furniture, and fitted up with the most beautiful things made of tin and brass, whatsoever was wanted. And behind the cottage there was a small yard, with hens and ducks, and a little garden with flowers and fruit. "Look," said the wife, "is not that nice"! "Yes," said the husband, "and so we must always think it--now we will live quite contented." "We will think about that", said the wife. With that they ate something and went to bed.

Everything went well for a week or a fortnight, and then the woman said,"Hark you, husband, this cottage is far too small for us, and the garden and the yard are little; the Flounder might just as well have given us a larger house. I should like to live in a great stone castle: go to the Flounder, and tell him to give us a castle." "Ah, wife," said the man, "the cottage is quite good enough; why should we live in a castle?" "What!" said the woman: "just go there, the Flounder can always do that." "No, wife," said the man, "the Flounder has just given us the cottage, I do not like to go back so soon, it might make him angry." "Go," said the woman, "he can do it quite easily, and will be glad to do it; just you go to him," they ate something and went to bed.

Everything went well for a week or a fortnight, and then the woman said,"Hark you, husband, this cottage is far too small for us, and the garden and the yard are little; the Flounder might just as well have given us a larger house. I should like to live in a great stone castle: go to the Flounder, and tell him to give us a castle." "Ah, wife," said the man, "the cottage is quite good enough; why should we live in a castle?" "What!" said the woman: "just go there, the Flounder can always do that." "No, wife," said the man, "the Flounder has just given us the cottage, I do not like to go back so soon, it might make him angry." "Go," said the woman, "he can do it quite easily, and will be glad to do it; just you go to him,"

The man's heart grew heavy, and he would not go. He said to himself, "It is not right," and yet he went. And when he came to the sea the water was quite purple and dark-blue, and grey and thick, and no longer so green and yellow, but it was still quiet. And he stood there and said,

"Flounder, flounder in the sea.
Come, I pray thee, here to me;
for my wife, good Ilsabil,
Wills not as I'd have her will."

"Well, what does she want, then?" said the flounder. "Alas," said the man, half scared, "she wants to live in a great stone castle." "Go to it, then, she is standing before the door," said the Flounder.

Then the man went away, intending to go home, but when he got there, he found a great stone castle. "Is this not nice," said the wife. "Yes," said the husband, "and so we must always think it-- now we vill live quite contented." "We will think about that." said the wife.With that they ate something and went to bed. But the wife was not satisfied, and greediness let her have no sleep, for she was continually thinking what there was left for her to have.

The man slept well and soundly, for he had run about a great deal during the day; but the woman could not fall asleep at all, and flung herself from one side to the other the whole night through, thinking always what more was left for her to be, but unable to call to mind anything else. At length the sun began to rise, and when the woman saw the red of dawn, she sat up in bed and looked at it. And when, through the window, she saw the sun thus rising, she said, "Cannot I too, order the sun and moon to rise?" "Husband," she said, poking him in the ribs with her elbows, "wake up!" Go to the Flomnder, for I wish to be even as God is", The man was still half asleep, but he was so horrified that he fell out of bed. He thought he must have heard amiss, and rubbed his eyes, and said, "Alas, wife," said the man, falling on his knees before her, "the Flounder cannot do that; he can make an emperor and a pope; I beseech you, go on as you are, and be Pope," Then she fell into a rage, and her hair flew wildly about her head, and she cried, "I will not endur this, I'll not bear it any longer; will you go this instant?" Then he put on his trousers and ran away like a madman. But outside a gre storm was raging, and blowing so hard that he could scarcely keep his feet; houses and trees toppled over, the mountains trembled, rock rolled into the sea, the sky was pitch black, and it thundered and li lightened, and the sea came in with black waves as high as church-towers and mountains, and all with crests of white foam at the top. Then he cried, but he could not hear his own words.

"Flounder, flounder in the sea,
Come I pray thee, here to me;
For my wife, good Ilsabil,
Wills not as I'd have her will."

"Well, what does she want, then?" said the Flounder. "Alas," said he, "she wants to be like unto God." "Go to her, and you will find her back again in the dirty hovel." And there they are still living to this day.

Mr. Green's Paycheck

Use a flannel board as a means of visualizing and vivifying the elements involved and an informal story format to attract interest and hold attention. In preparation for this activity, the children could be asked to draw, cut out magazines, and mount illustrations. The first picture placed on the flannel board would be that of a man identified as Mr. Green. On Friday afternoon after work, Mr. Green receives his weekly salary check for $150. This would be the second item to appear on the flannel board. On Saturday morning, Mr. Green goes to his neighborhood bank (a bank building is the third picture) to cash his check. He receives 30 five-dollar bills (play money which the teacher has had mimeographed and has had the children cut into separate bills and which has been lined up on the flannel board as the fourth stage in the sequence.) The Greens have borrowed money from the bank to buy a house (the fifth illustration is of a home). Mr. Green takes $30 of the money to make his mortgage payment at the end of the month. At this point, a member of the class could be asked by the teacher to come up to the flannel board and to remove the picture of the house and six of the five-dollar bills. This is money that cannot be spent for other purposes. The Greens have also borrowed money from the bank to buy a car (an automobile is the sixth cut-out). Mr. Green takes $20 from his weekly salary to put aside for this payment at the end of the month. A second child would detach the car and four bills. Mr. Green decides to deposit $15 in the family savings account (an illustration of a savings pass book) and $5 in the Christmas Club (a picture of Santa Clause) to be used for gifts next December. Again a third and fourth child could walk to the front of the room and take the savings pass book and three bills and the Santa Claus picture and one bill from the flannel board. When Mr. Green gets home from the bank, he gives Mrs. Green (a cut-out of a mother) $25 for groceries (a photograph of a supermarket) and $10 to pay for the Electricity bill. (drawing of an electric lightbulb.) Two more children pull off the grocery and electricity mountings and five and two bills respectively. After Mrs. Green returns from shopping at the supermarket in the early afternoon, she and Mr. Green ask their children (a picture of a boy and girl is pressed upon the flannel board) to decide whether they would like to go to a restaurant for hamburgers, french fries and milkshakes or eat

Mr. Green decides to deposit $15 in the family savings account (an illustration of a savings pass book) and $5 in the Christmas Club (a picture of Santa Clause) to be used for gifts next December. Again a third and fourth child could walk to the front of the room and take the savings pass book and three bills and the Santa Claus picture and one bill from the flannel board. When Mr. Green gets home from the bank, he gives Mrs. Green (a cut-out of a mother) $25 for groceries (a photograph of a supermarket) and $10 to pay for the Electricity bill. (drawing of an electric lightbulb.) Two more children pull off the grocery and electricity mountings and five and two bills respectively. After Mrs. Green returns from shopping at the supermarket in the early afternoon, she and Mr. Green ask their children (a picture of a boy and girl is pressed upon the flannel board) to decide whether they would like to go to a restaurant for hamburgers, french fries and milkshakes or eat left-overs at home and attend a drive-in movie. The teacher could pause at this stage and hold up cut-outs of eating places and an outdoor theater and ask the children which choice they would make if they were the Green children. The class could be told that either of the treats, the restaurant meal or the price of admission to the theater and bags of popcorn, would cost $5. Assuming that the class elects the show, a picture of an outdoor theater could be displayed just long enough for another pupil to whisk it away with an accompanying five-dollar bill. On Sunday, the Greens attend Church (a drawing of a church is placed on the flannel board). They make their usual $5 contribution for church and Sunday School. And, the church cut-out and a single bill are detached simultaneously.

Now the class oculd be asked how much money the Green family has left out of its weekly pay check. The children would count the remaining bills and arrive at a figure of $35. The teacher would then bring out a string long enough to reach across the entire width of the classroom. The string could be tacked on each side of the room so it would be just above the heads of the children. On this string, pupils would fasten a host of illustrations depicting other items for which the Greens might spend the remaining $35. They might make a down payment on a portable television set for their family room, or a piano so the children could begin taking lessons, or a vacation camping trailer, etc. They could buy a small record

And, the church cut-out and a single bill are detached simultaneously.

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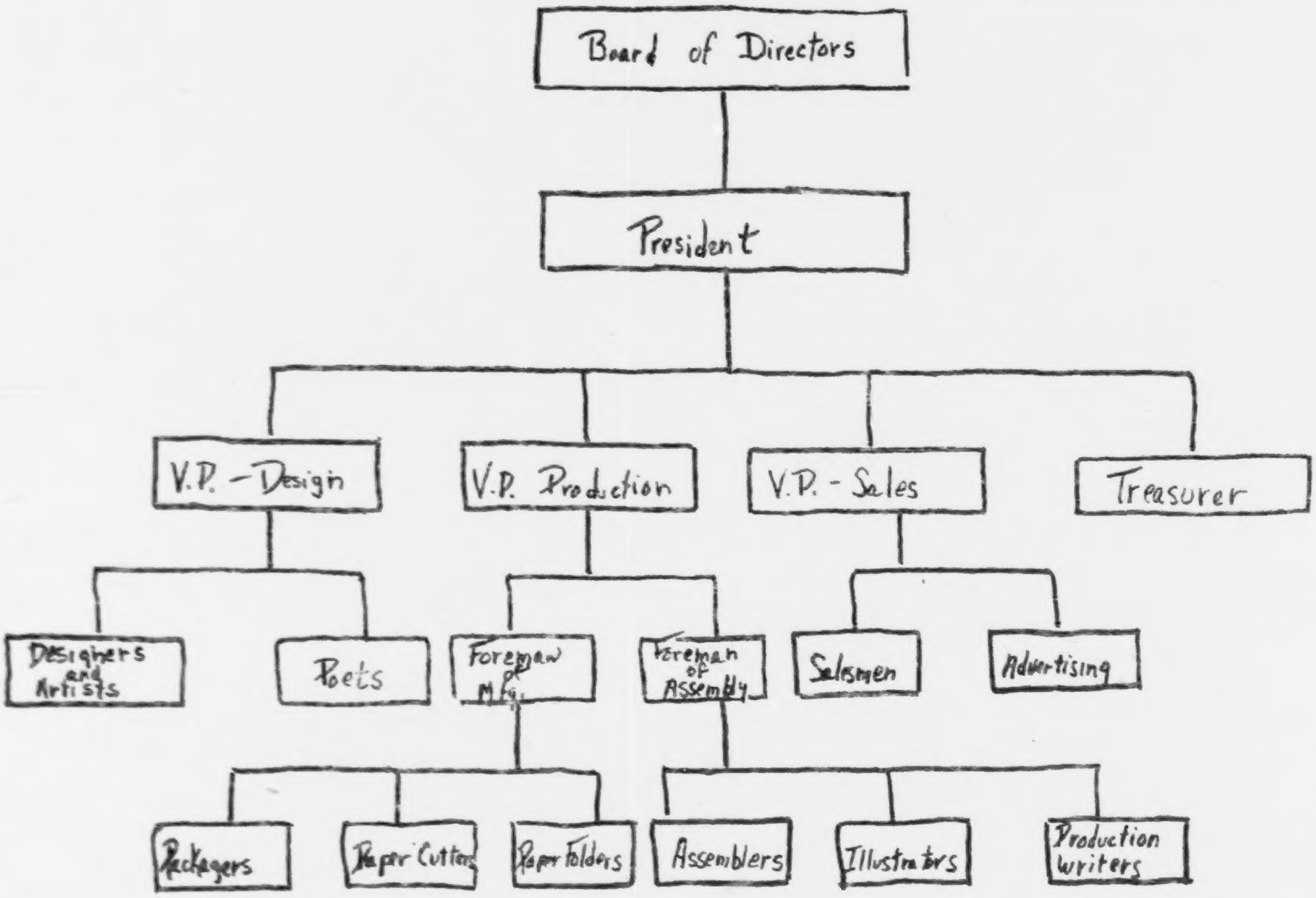
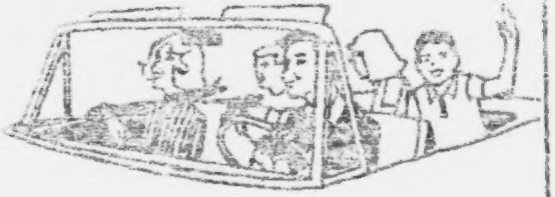
Through this approach, the class should discover easily the idea of unlimited wants and limited resources. The Green family will always have many things for which it can spend its income. But it will also have a budget within which it must operate.

Reprinted from Martin and Miller, Economics, pp. 117-118


Board of Directors
President
V.P. - Design
V.P. Production
V.P. - Sales
Treasurer
Designers and Artists
Poets
Foreman of Mfg.
Foreman of Assembly
Salesmen
Advertising
Packagers
Paper Cutters
Paper Folders
Assemblers
Illustrators
Production writers

STUDENT ACTIVITY #1

Producers and Consumers



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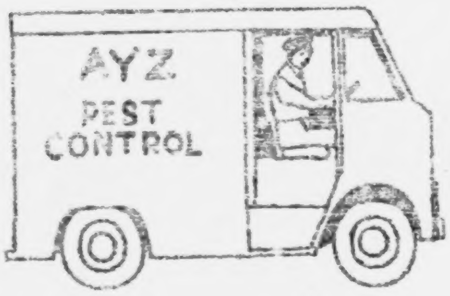
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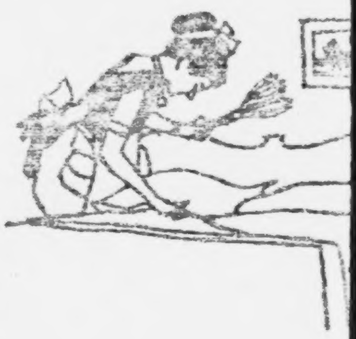

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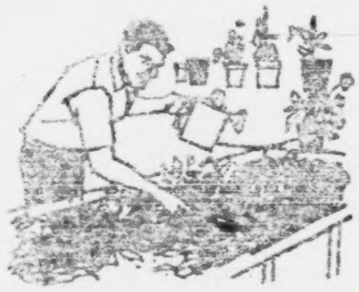

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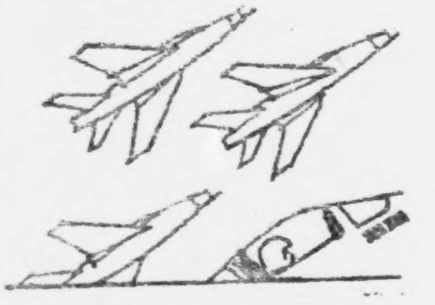

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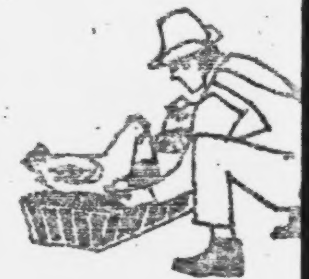

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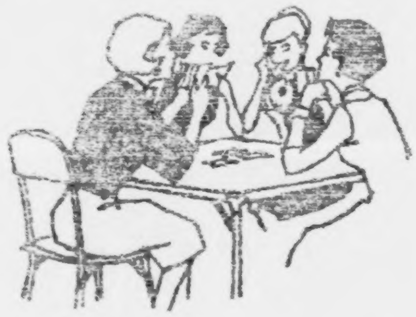

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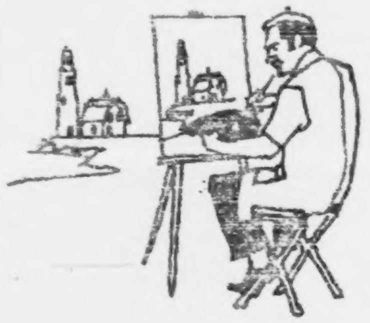

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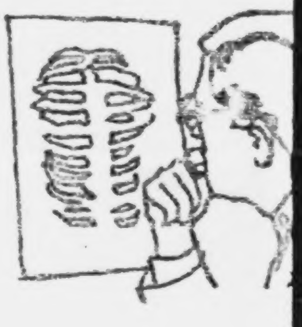

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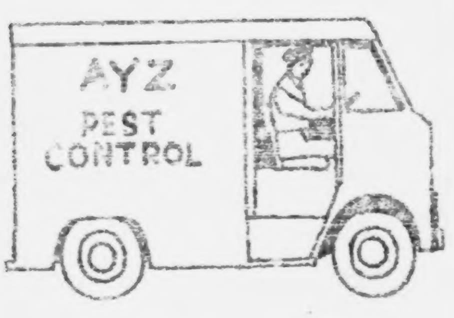
STUDENT ACTIVITY #1

Producers and Consumers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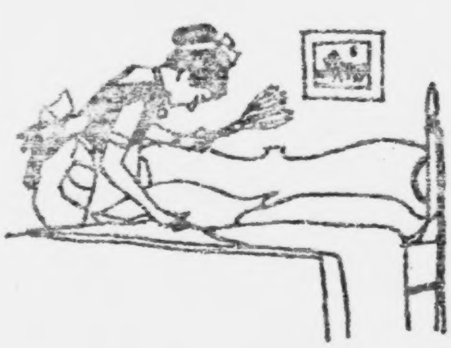

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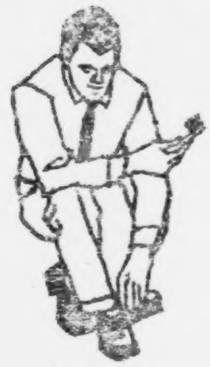

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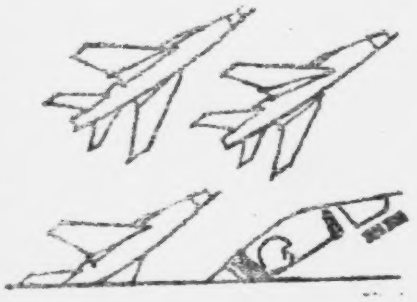

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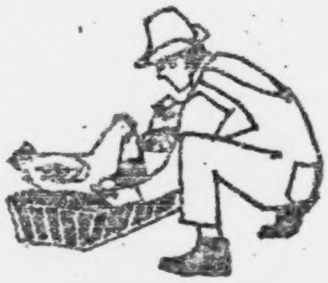

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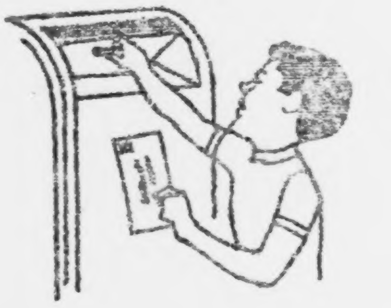

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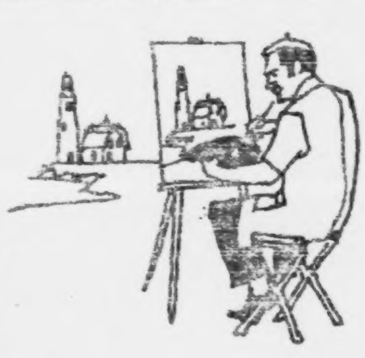

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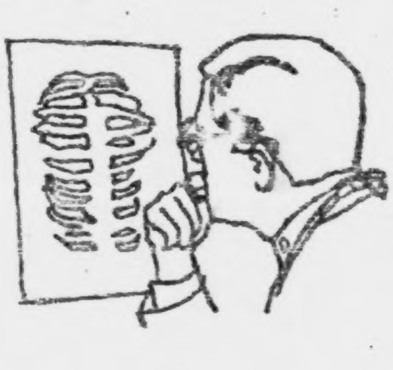

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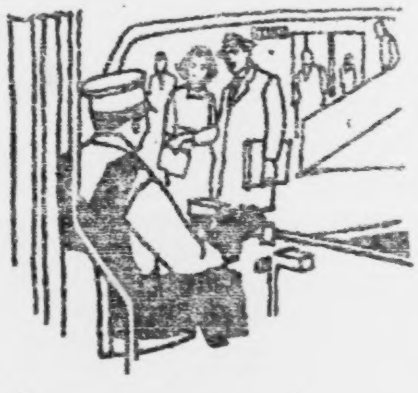

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orking World-Cities at Work Activity Book

Student Activity #2

PRODUCERS AND CONSUMERS

Do you know what a consumer is? You are a consumer. Everyone is a consumer. A consumer is a person who uses goods or services. People eat food. People wear clothing. People go to doctors if they are sick. So everyone is a consumer.

When you eat something, you are using it up. When you wear something, you are using it up. You are consuming goods. We consume some goods quickly, such as when we swallow food. We consume some goods slowly, such as when we drive a car or live in a house.

When you go to a doctor to find out why you are sick, you are consuming a service. When you are in the classroom, your teacher helps you to learn. You are using her services. These services are used up at the same time they are produced. Services cannot be stored.

Of course, someone has to produce the goods
and services you consu
you eat. Someone make
Someone helps you when
helps you to know more

Do you remember w
makes useful things or
others? He is called

A producer who ma
ducer of goods. A pro
for others without pro
ducer of services.

A man who makes s
is a producer of goods
get well does useful w
not produce the medici
is a producer of servi
to learn is doing use
duce the book you are
services.

Reprinted from Our Working World-Cities at Work. Activity

Student Activity #2

PRODUCERS AND CONSUMERS

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cannot be stored.
one has to produce the goods

and services you consume. Someone grows the food. you eat. Someone makes the clothes you wear. Someone helps you when you are sick. Someone helps you to know more.

Do you remember what we call a person who makes useful things or who does useful work for others? He is called a producer.

A producer who makes useful things is a producer of goods. A producer who does useful work for others without producing a good is a producer of services.

A man who makes shoes makes useful things. He is a producer of goods. A doctor who helps people get well does useful work for others, but he does not produce the medicine he gives people. The doctor is a producer of services. A teacher who helps you to learn is doing useful work, but she does not produce the book you are using. She is a producer of services.

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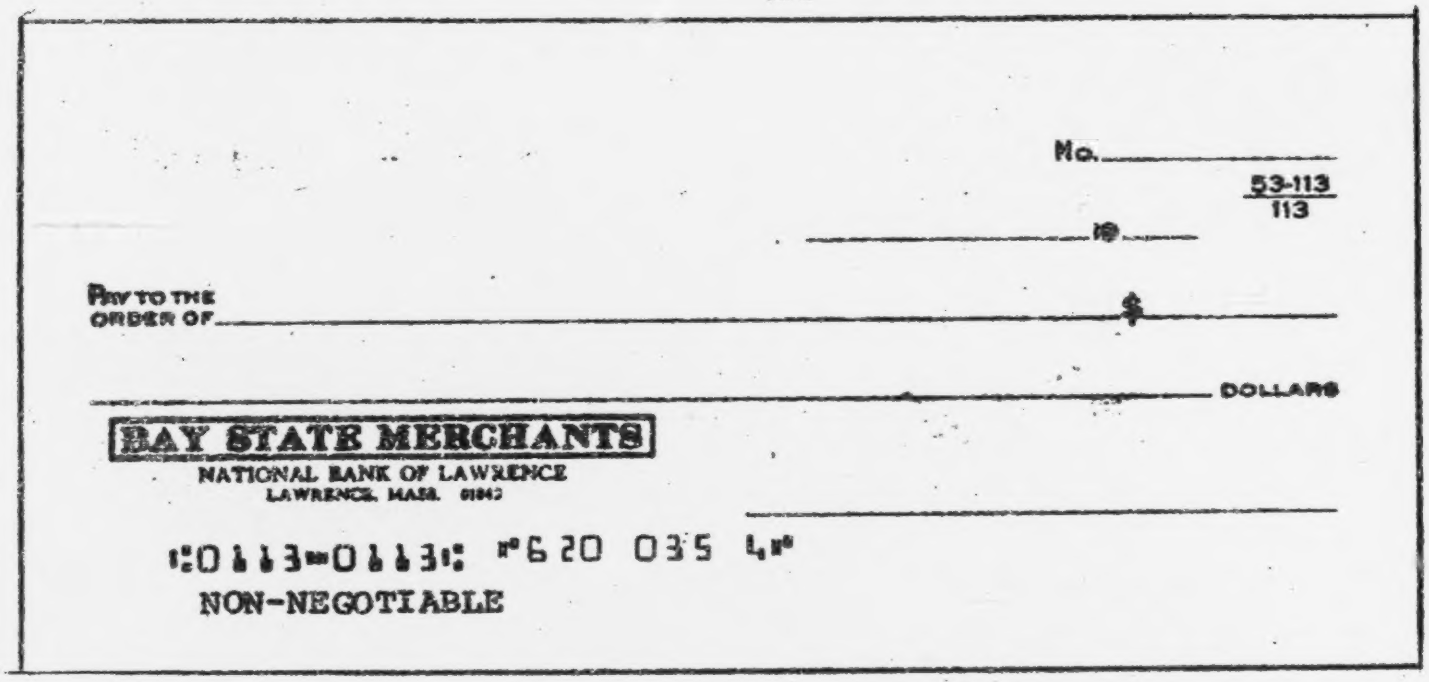
STUDENT ACTIVITY #3



No. ____________

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____________________ 19____

PAY TO THE
ORDER OF ______________________________ $ __________

______________________________ DOLLARS

BAY STATE MERCHANTS
NATIONAL BANK OF LAWRENCE
LAWRENCE, MASS. 01842

____

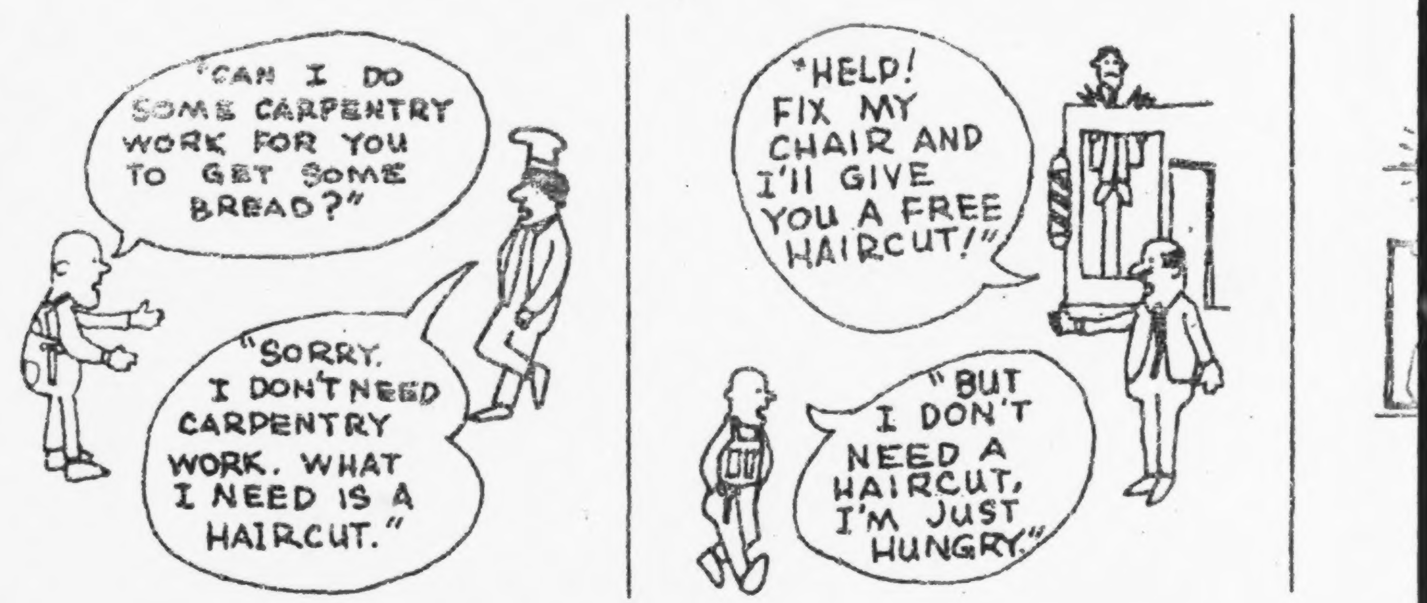
⑆0113⑉0113⑆ ⑈620 035 4⑈
NON-NEGOTIABLE

Student Activity #4

Specialization Makes People Depend on Each

Division of labor makes people, cities, and nations need each other. For this reason, people, cities, and nations must trade with each other. Transportation is needed for trading. The faster and cheaper the transportation, the better the people can divide the labor.

Money is also impor
easier to use money th
for other goods and serv
Transportation and m
of labor.


"CAN I DO SOME CARPENTRY WORK FOR YOU TO GET SOME BREAD?"
"SORRY. I DON'T NEED CARPENTRY WORK. WHAT I NEED IS A HAIRCUT."
"HELP! FIX MY CHAIR AND I'LL GIVE YOU A FREE HAIRCUT!"
"BUT I DON'T NEED A HAIRCUT, I'M JUST HUNGRY."

1. What idea did the barber and the carpenter have? ....

2. Which of the men made the best trade? ....

3. Who made the worst trade? ....

4. Why is barter of goods for other goods so difficult? ....

5. Why is barter of goods for money easier? ....

Reprinted from Our Working World-Cities at Work Activity Book.

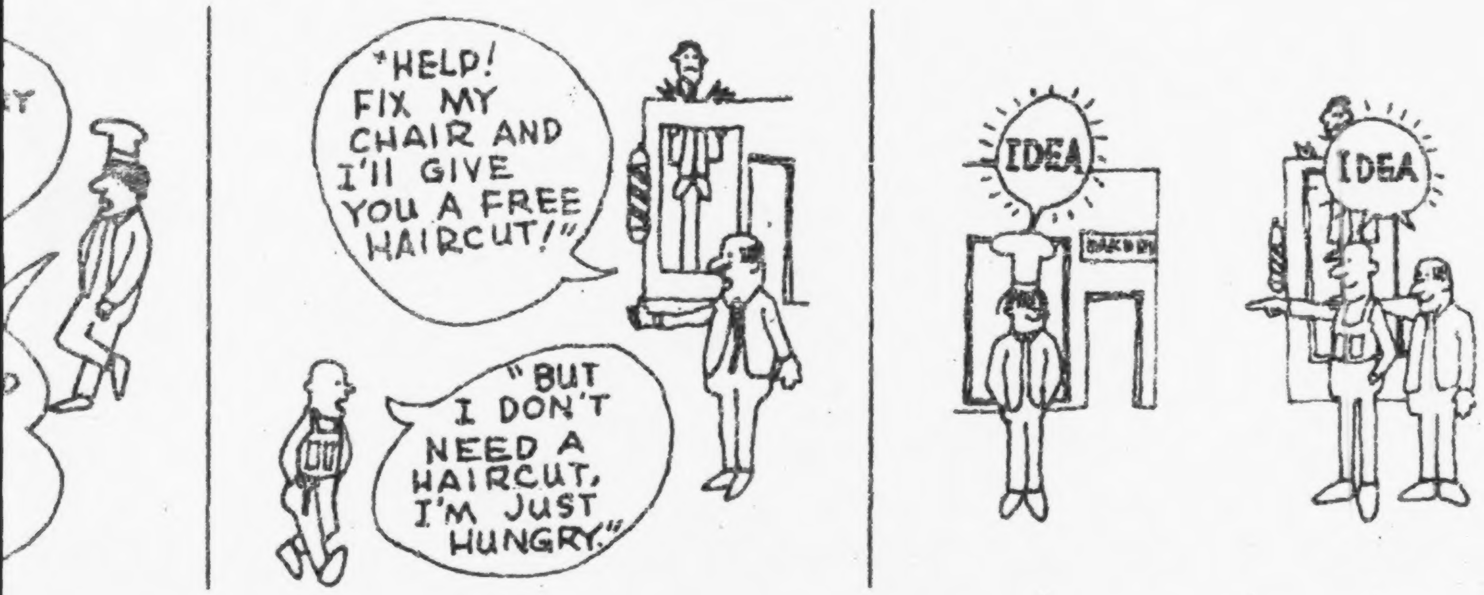
Student Activity #4

ecialization Makes People Depend on Each Other

eople, cities, and nations need
n, people, cities, and nations
r. Transportation is needed
cheaper the transportation,
vide the labor.

Money is also important for trading because it is easier to use money than to trade goods and services for other goods and services.

Transportation and money are keys to better division of labor.


"HELP! FIX MY CHAIR AND I'll GIVE YOU A FREE HAIRCUT!"
"BUT I DON'T NEED A HAIRCUT, I'M JUST HUNGRY."
IDEA
IDEA

the carpenter have? ....

est trade? ....

....

her goods so difficult? ....

oney easier? ....

World-Cities at Work Activity Book.

STUDENT ACTIVITY #5

Does Advertising Help You Make Better Ch

ALL BEEF HOTDOGS 59¢ A POUND

1.

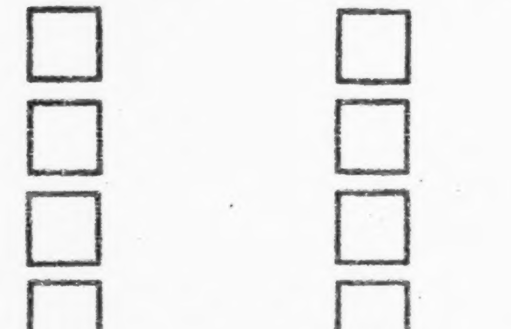
EGGS BARGAIN !! 39¢ A DOZEN

2.

	I know enough to choose.	I do not know enough to choose.
1.	☐	☐
2.	☐	☐
3.	☐	☐
4.	☐	☐
5.	☐	☐
6.	☐	☐
7.	☐	☐

1954 FORD LIKE NEW-- $350

3.


FLOWERING
TREE
2 FEET, 3 INCHES TALL
$5.95

4.

Reprinted from Our Working World, Cities at Work, A

STUDENT ACTIVITY #5

s Advertising Help You Make Better Choices?

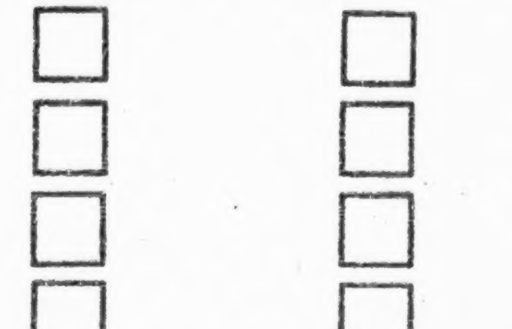
	I know enough to choose.	I do not know enough to choose.
1.	☐	☐
2.	☐	☐
3.	☐	☐
4.	☐	☐
5.	☐	☐
6.	☐	☐
7.	☐	☐

ALL MEAT HOTDOGS-- 49¢ A POUND

5.

CANDY 29¢ A BAG

6.


FLOWERING TREE
2 FEET, 3 INCHES TALL
$5.95

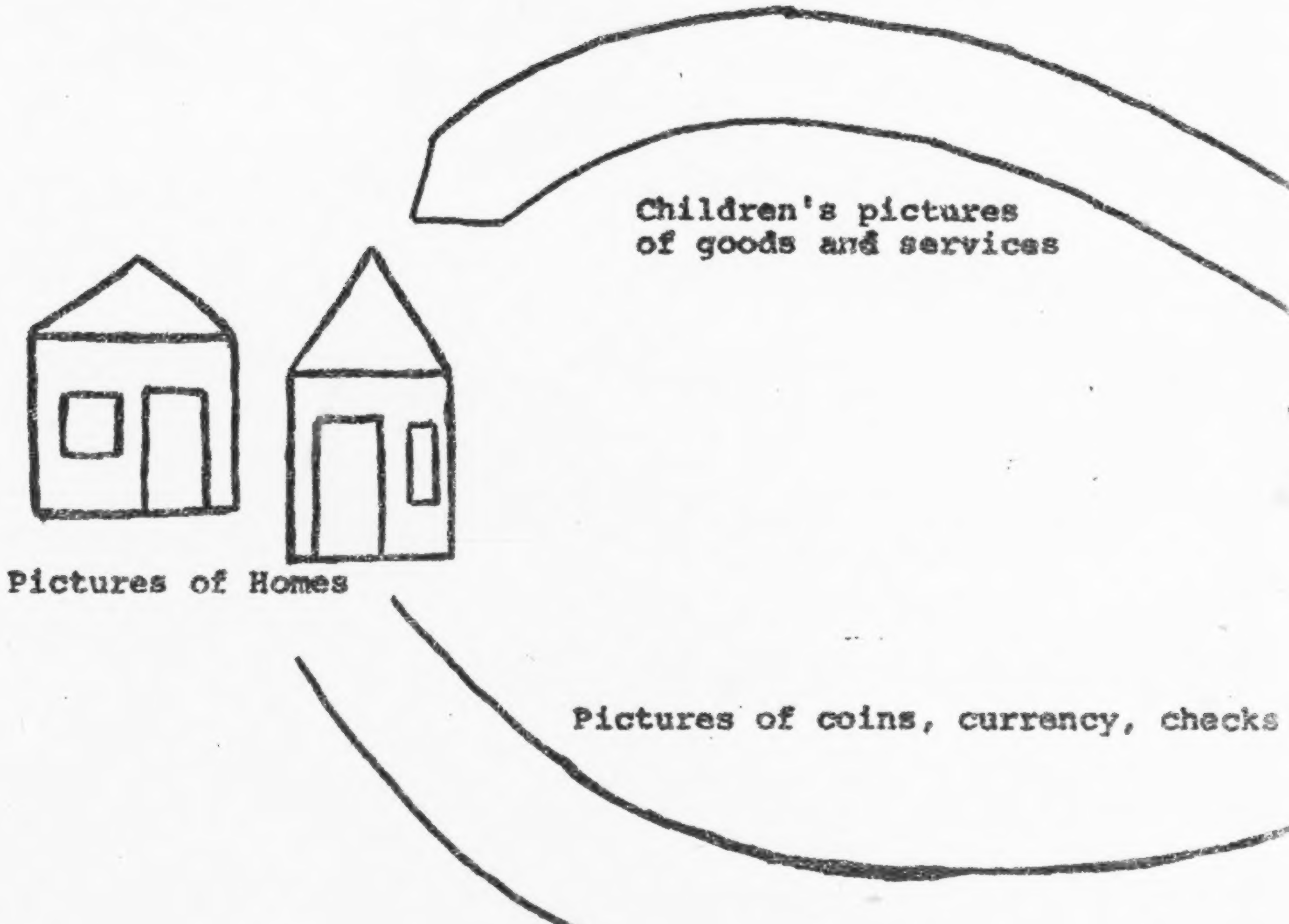
4.

ELECTRIC REFRIGERATOR $25 DOWN

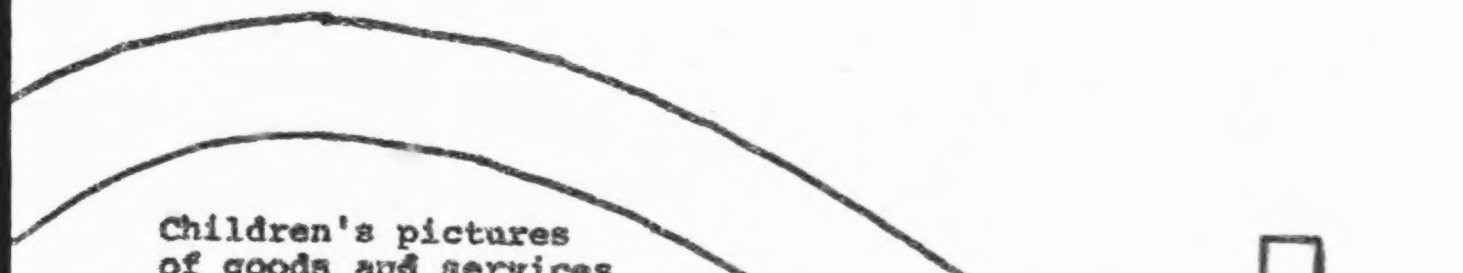
7.

Working World, Cities at Work, Activity Book,

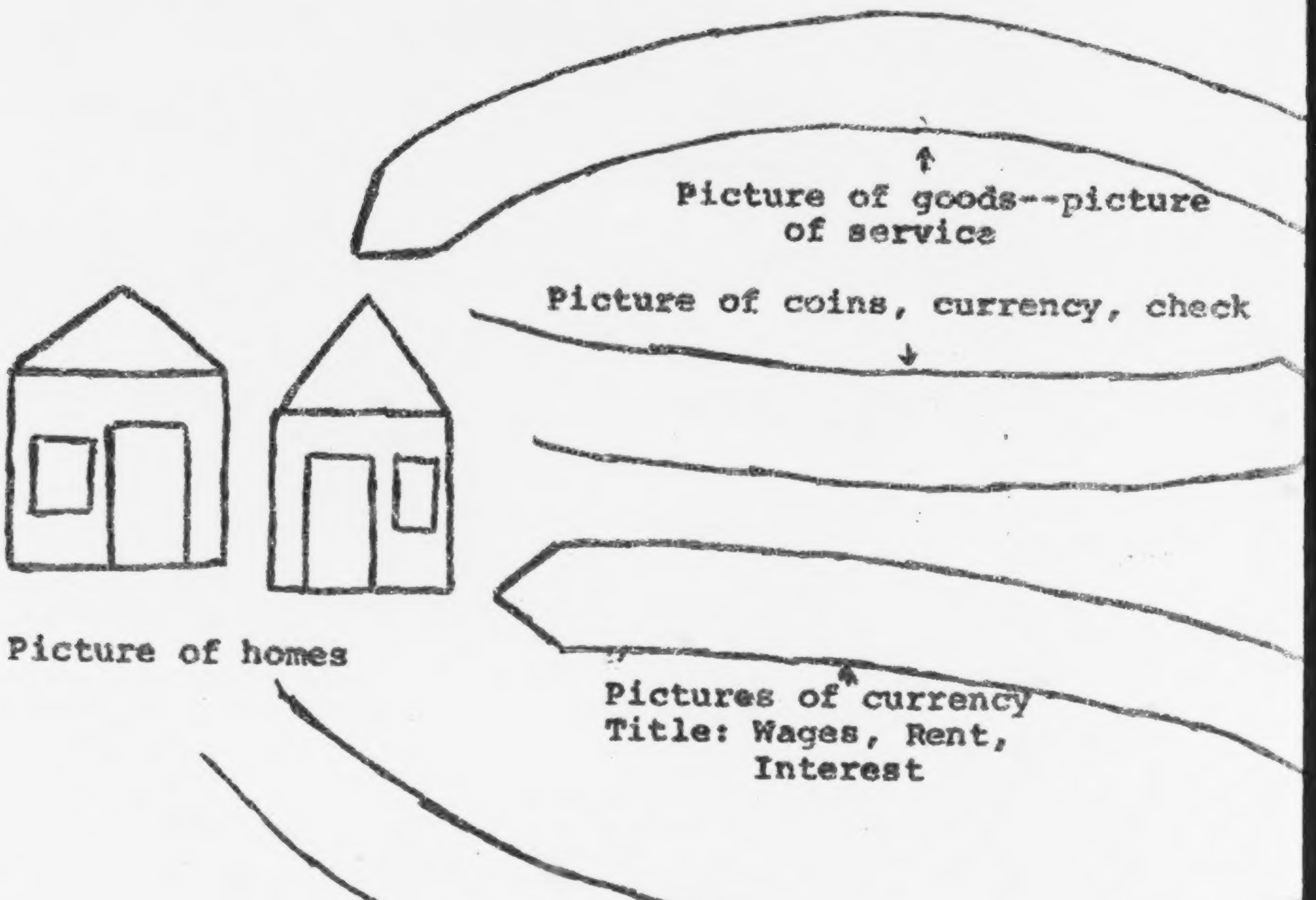
MODEL #1


Children's pictures
of goods and services
Pictures of Homes
Pictures of coins, currency, checks

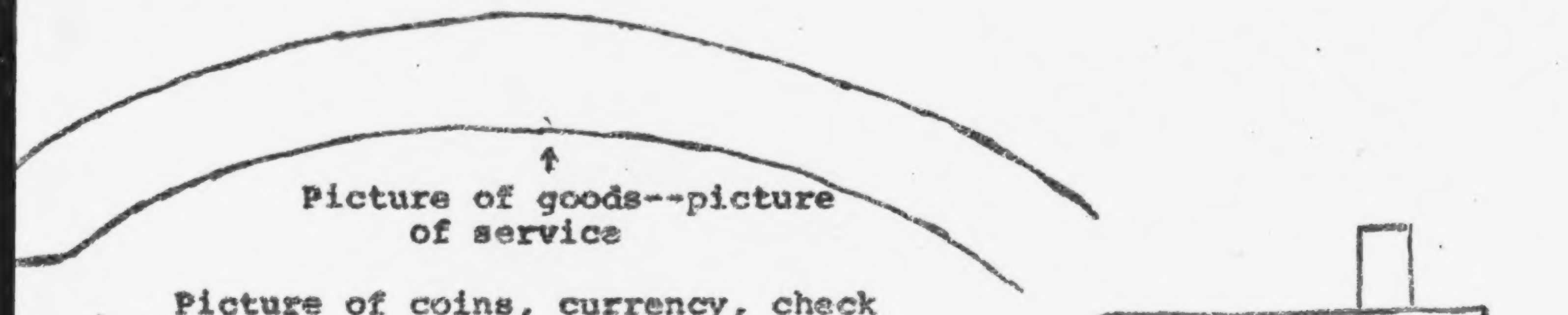
MODEL #1


Children's pictures of goods and services
Pictures of coins, currency, checks
Pictures of factory, store, etc.

MODEL # 2

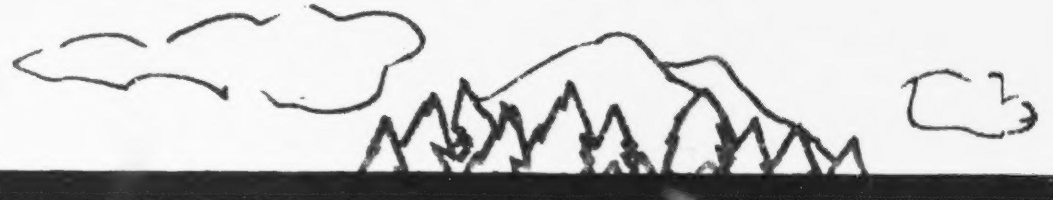

Picture of goods--picture of service
Picture of coins, currency, check
Picture of homes
Pictures of currency Title: Wages, Rent, Interest
Picture of man working, coal, tool, title: Labor, Natural Resources, Capital

MODEL # 2

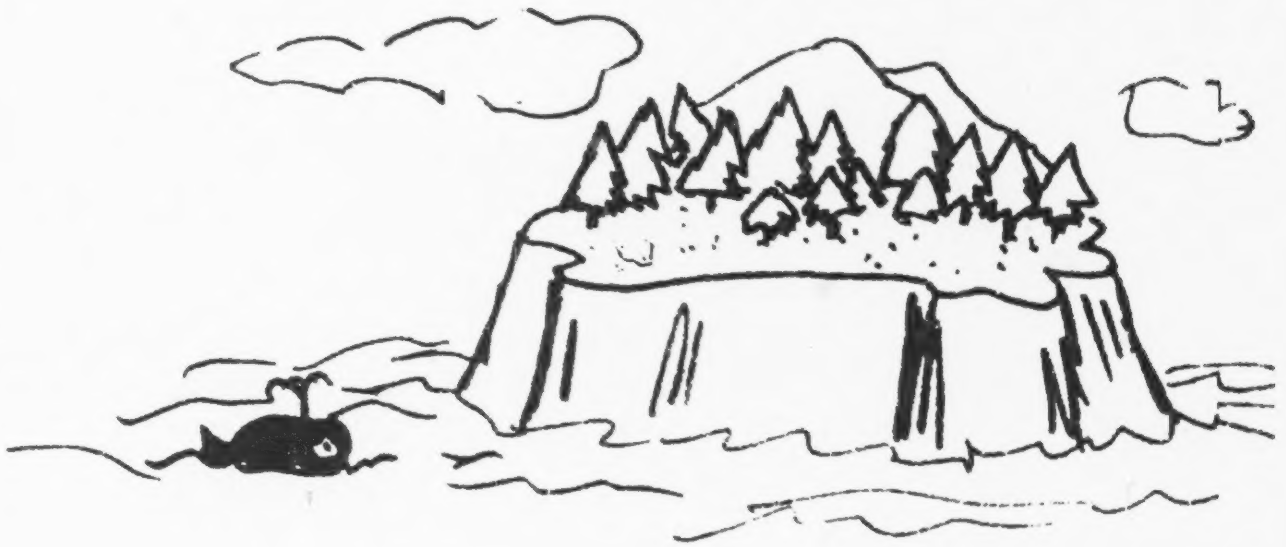

Picture of goods--picture of service
Picture of coins, currency, check
Pictures of currency
Title: Wages, Rent, Interest
Pictures of Factory Store, etc
re of man working,
tool, title: Labor,
al Resources, Capital

A Fable

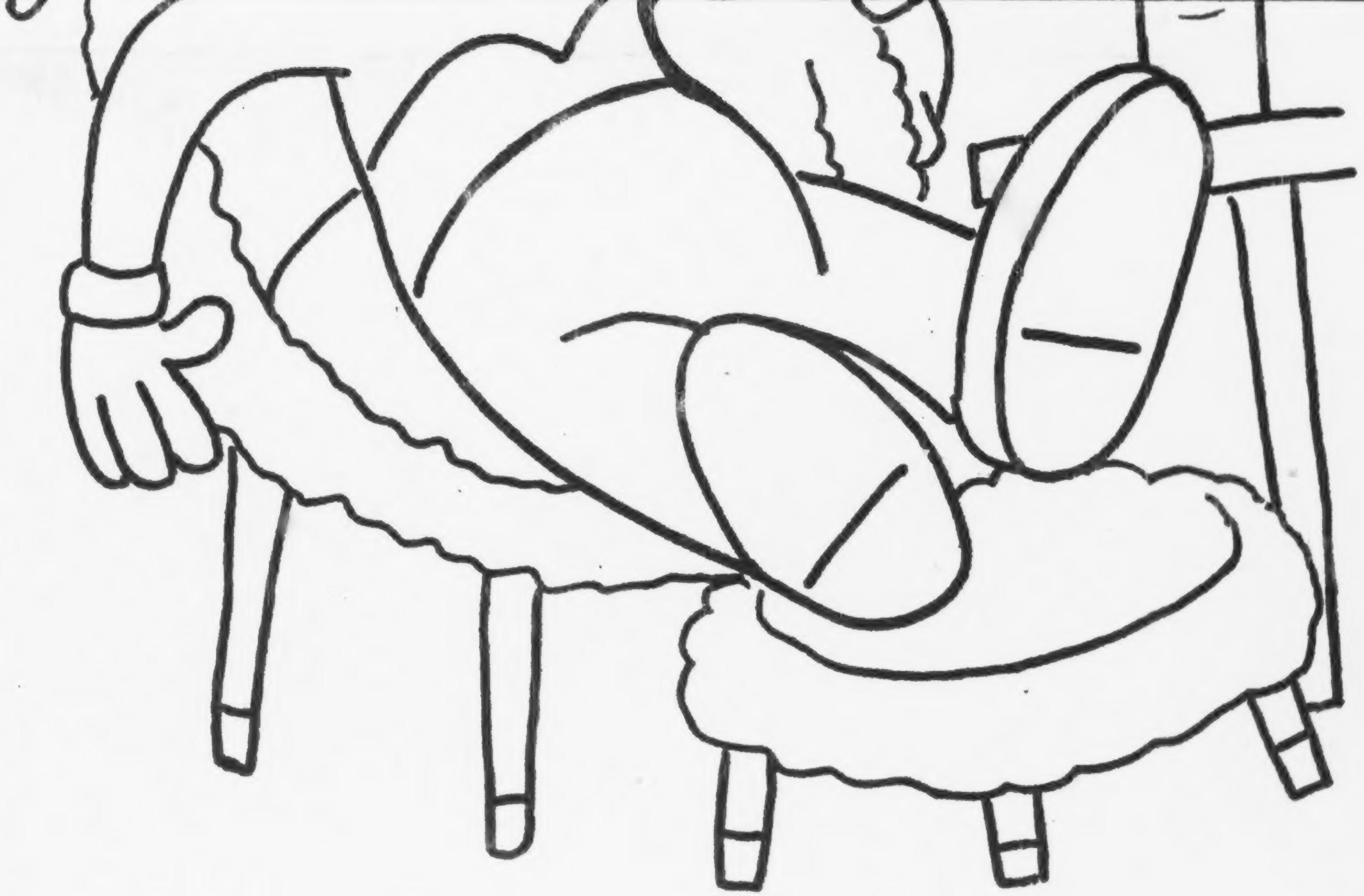
Peter and
The Fender Bender Machin



Peter and
The Fender Bender Machine

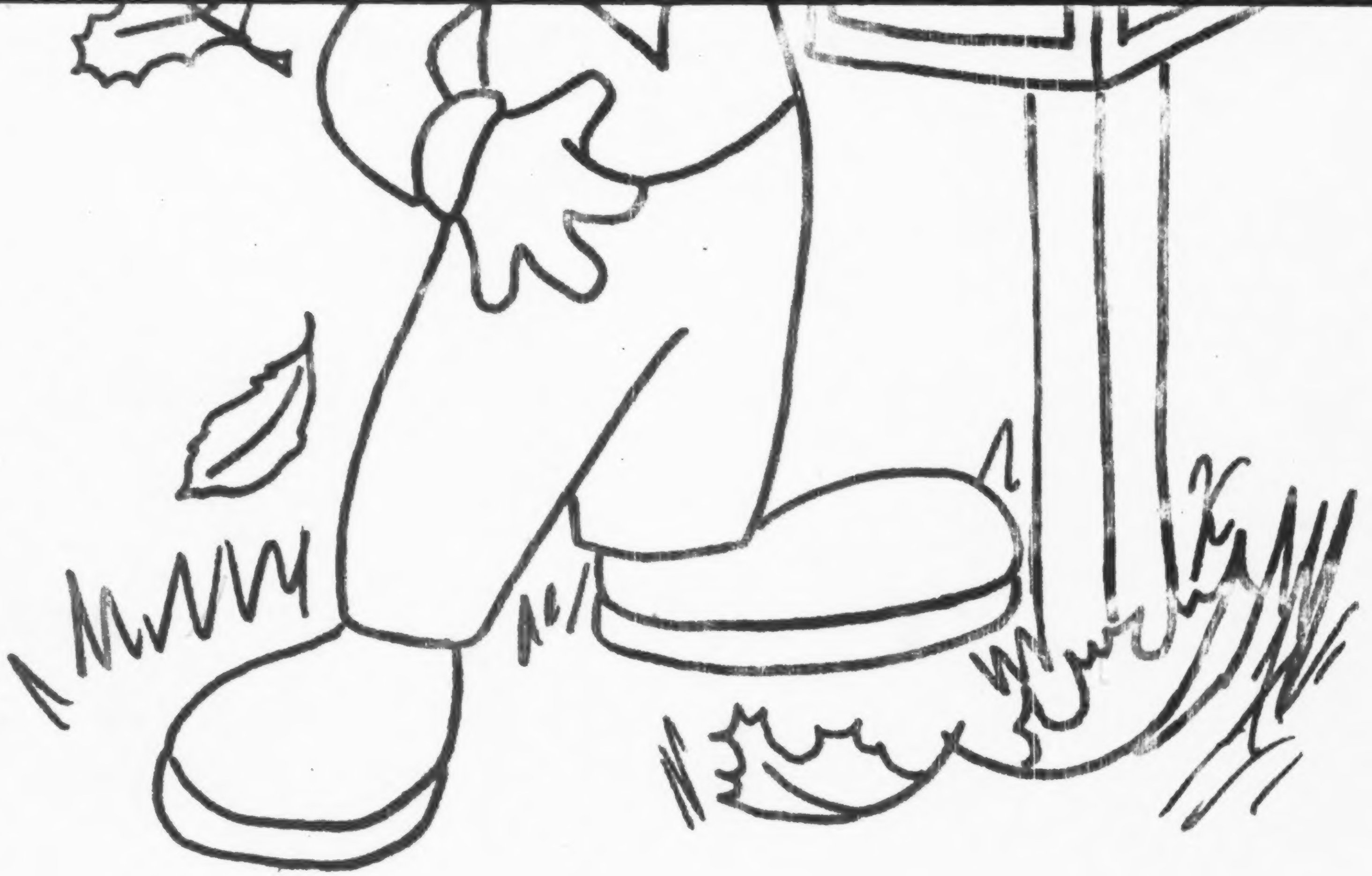


Once upon a time on the Island of Bui-Bun . . .



lived a panda named Peter who was very, **very sad.**

MAIL



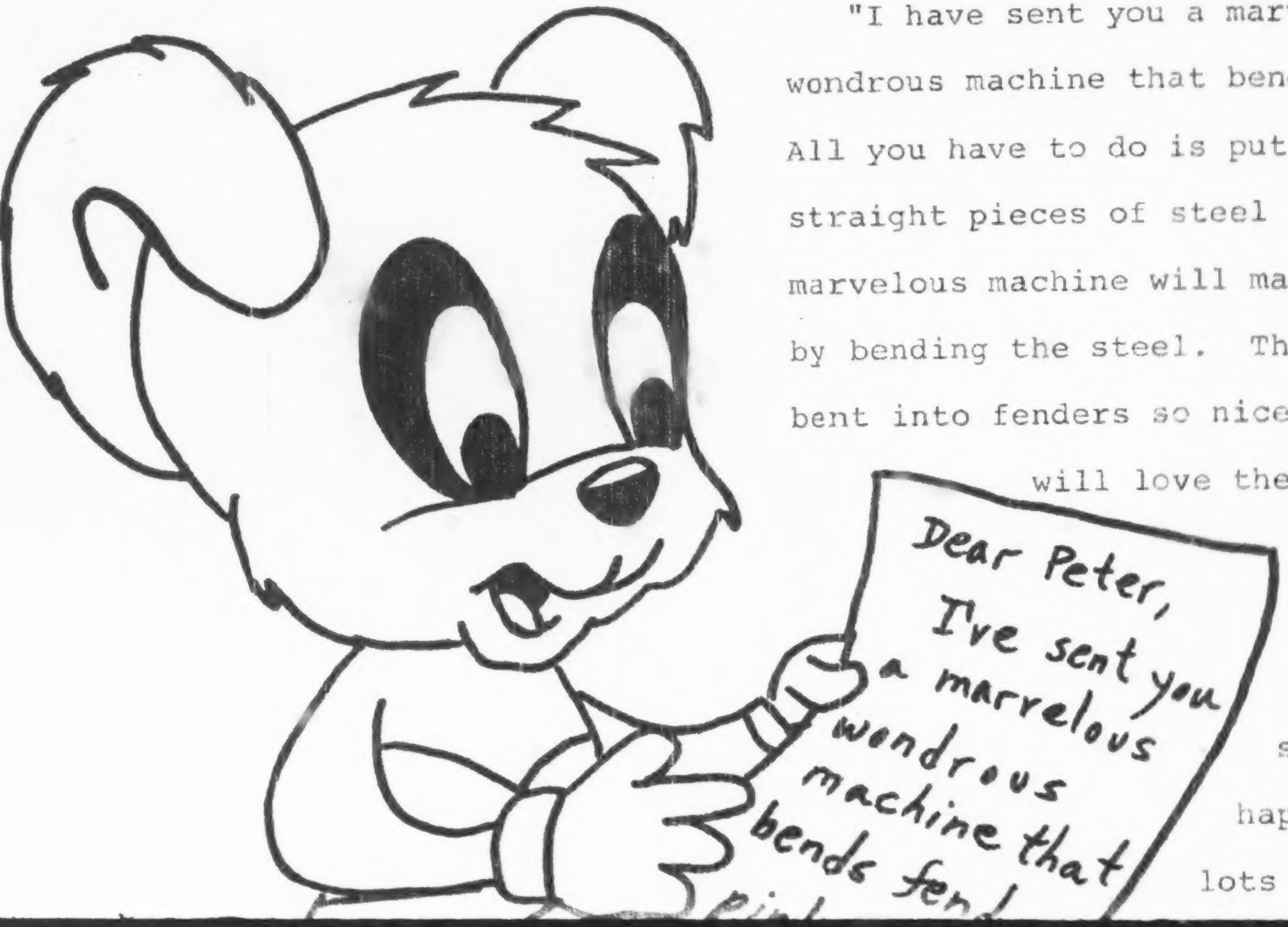
One afternoon the mailman delivered a package to Peter, which came from his Uncle George.

"I wonder what's in it," said Peter as he read the letter from Uncle George.

The letter read as follows:

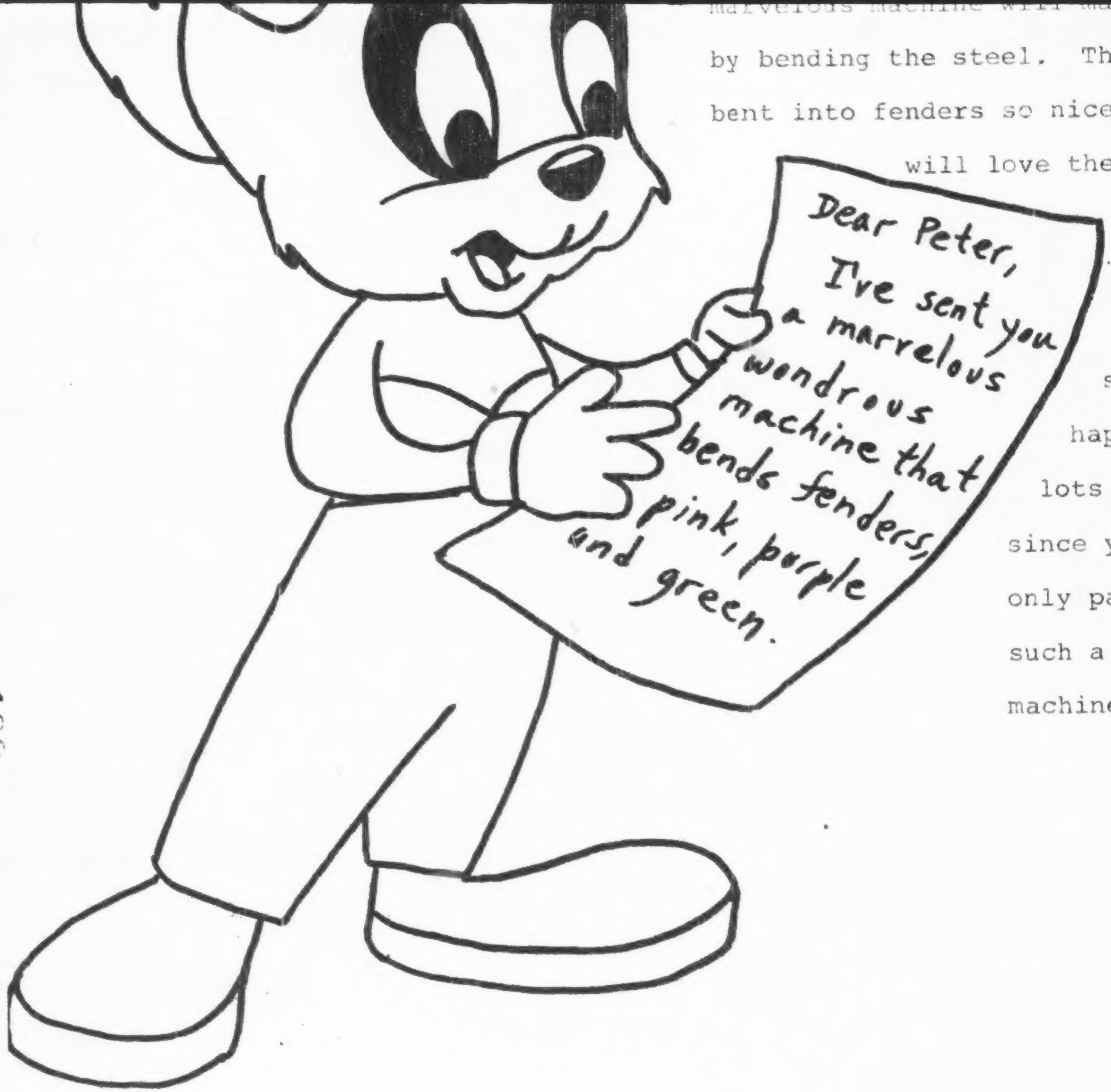
"I have sent you a marvelous wondrous machine that bends fenders. All you have to do is put in some straight pieces of steel and this marvelous machine will make fenders by bending the steel. The metal get bent into fenders so nice that peopl will love them and pay a very high price.

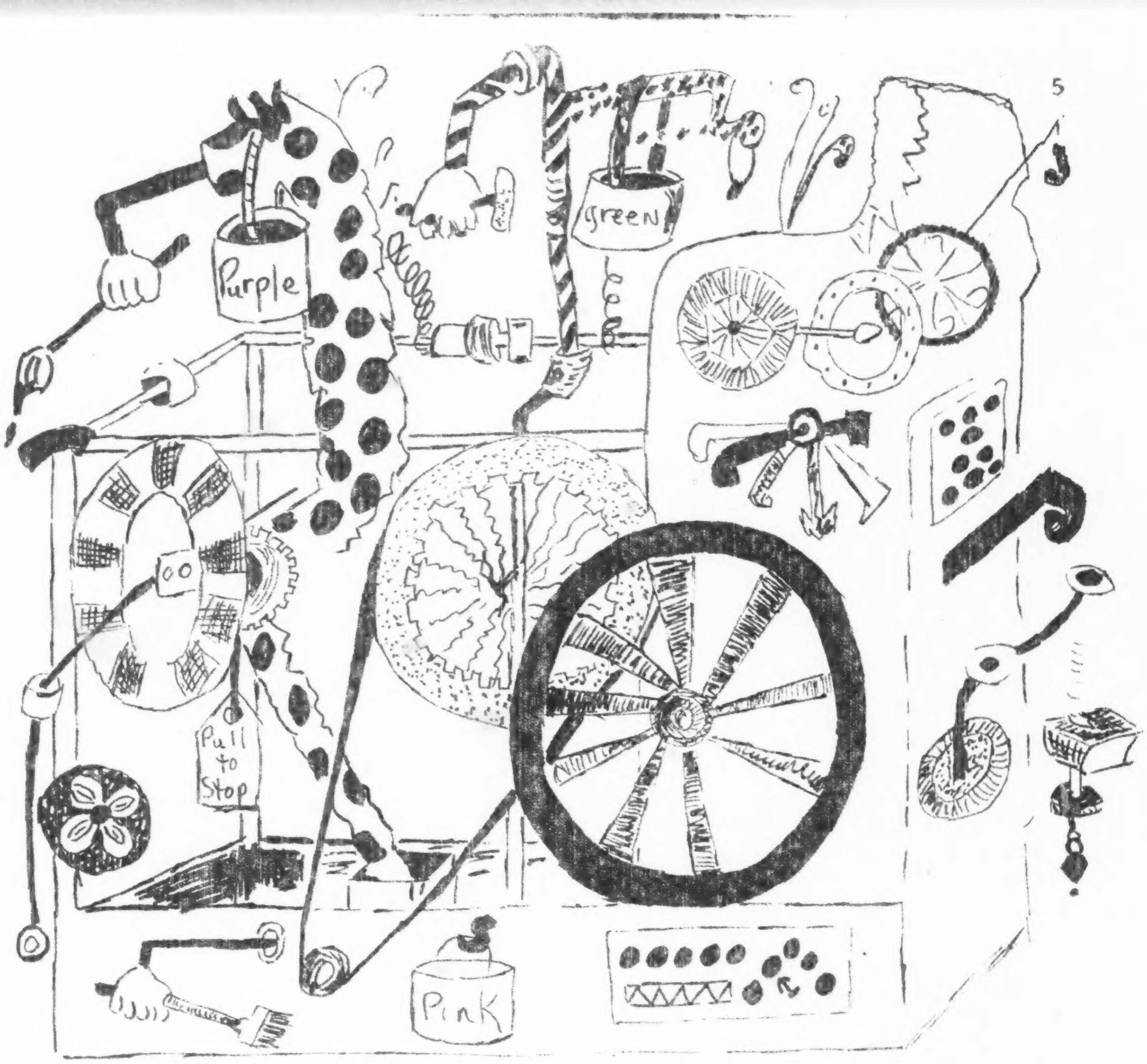
Now you should be happy and have lots of luck,

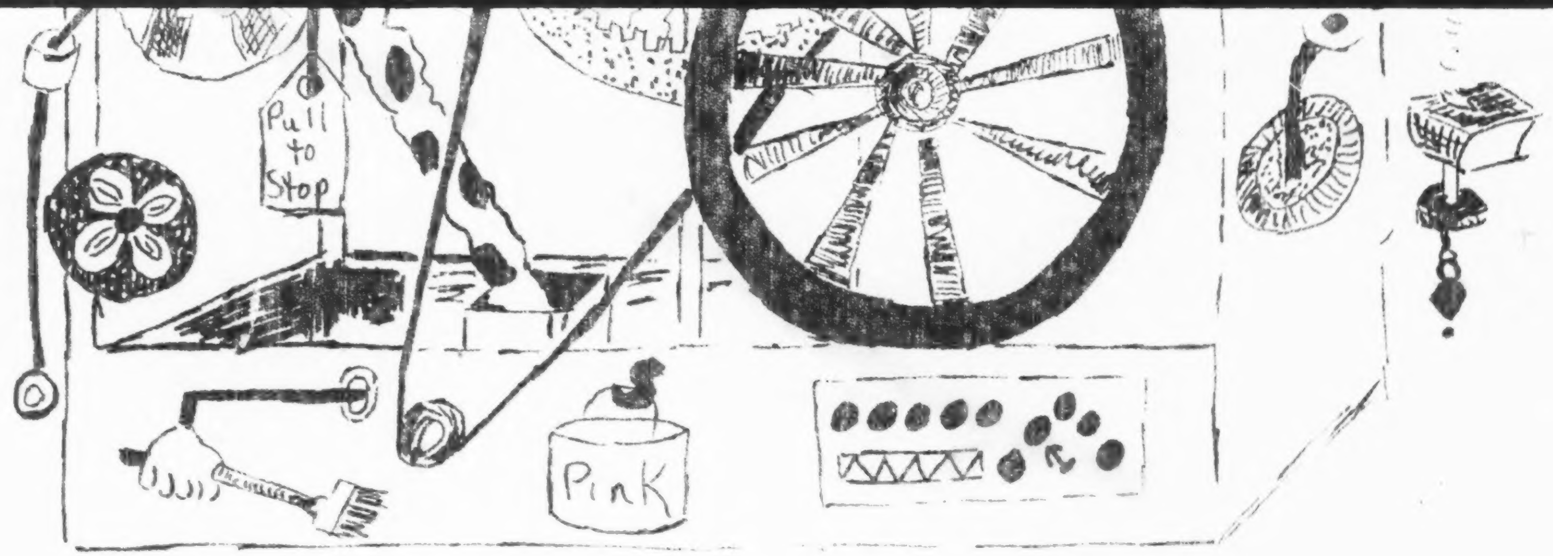

Dear Peter,
I've sent you
a marvelous
wondrous
machine that
bends fen

marvelous machine will make
by bending the steel. The metal get bent into fenders so nice that peopl will love them and pay a very high price.

Now you should be happy and have lots of luck, since you are the only panda who own such a marvelous machine."


Dear Peter,
I've sent you
a marrelous
wondrous
machine that
bends fenders,
pink, purple
and green.


5
green
Purple
Pull to Stop
Pink



Peter tore off the paper which wrapped the machine. He began to sing a song:

"I'll be rich, I'll be rich -- the wealthiest panda you have ever seen.

This machine that bends fenders, I'd be willing to bet,
Will get me more money than other folks get.
Down with the bad times! I'm up on my luck!
There it is, this wonderous machine--the most marvelous tool that you've ever seen.

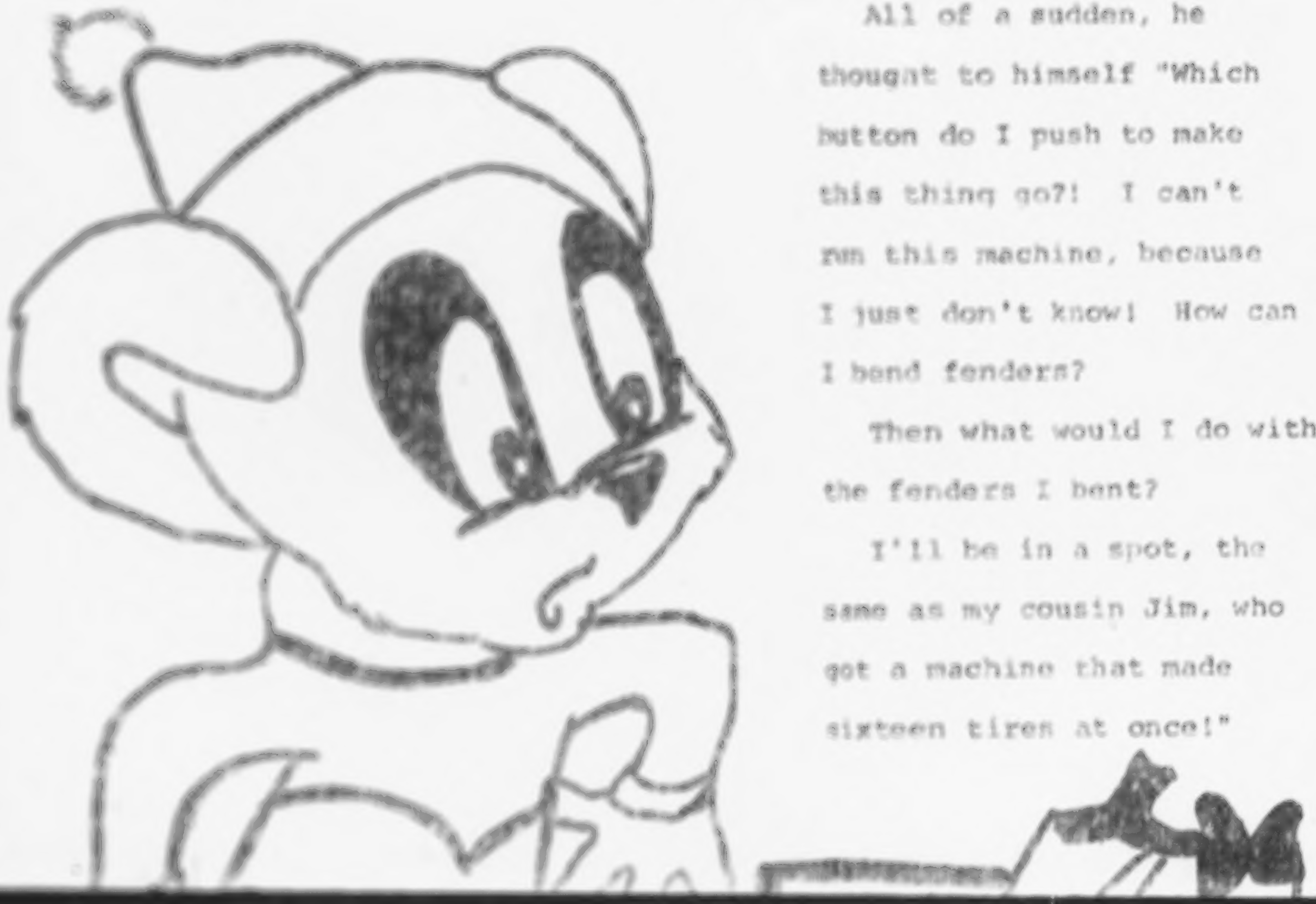
Buttons and levers to pull and to punch, are placed on a thing all sticking out in a bunch.

I'll be rich - I'll be rich - you just wait and see!"

All of a sudden, he thought to himself "Which button do I push to make this thing go?! I can't run this machine, because I just don't know! How can I bend fenders?

Then what would I do with the fenders I bent?

I'll be in a spot, the same as my cousin Jim, who got a machine that made sixteen tires at once!"



button do I push to make this thing go?! I can't run this machine, because I just don't know! How can I bend fenders?

Then what would I do with the fenders I bent?

I'll be in a spot, the same as my cousin Jim, who got a machine that made sixteen tires at once!"

"Jim thought he was smart, but he really wasn't because no matter how many tires he made, there was no one to use them. Not one single man in Hub-Bub could use them. For you see, here on our island there aren't any cars."

Robber Bulber

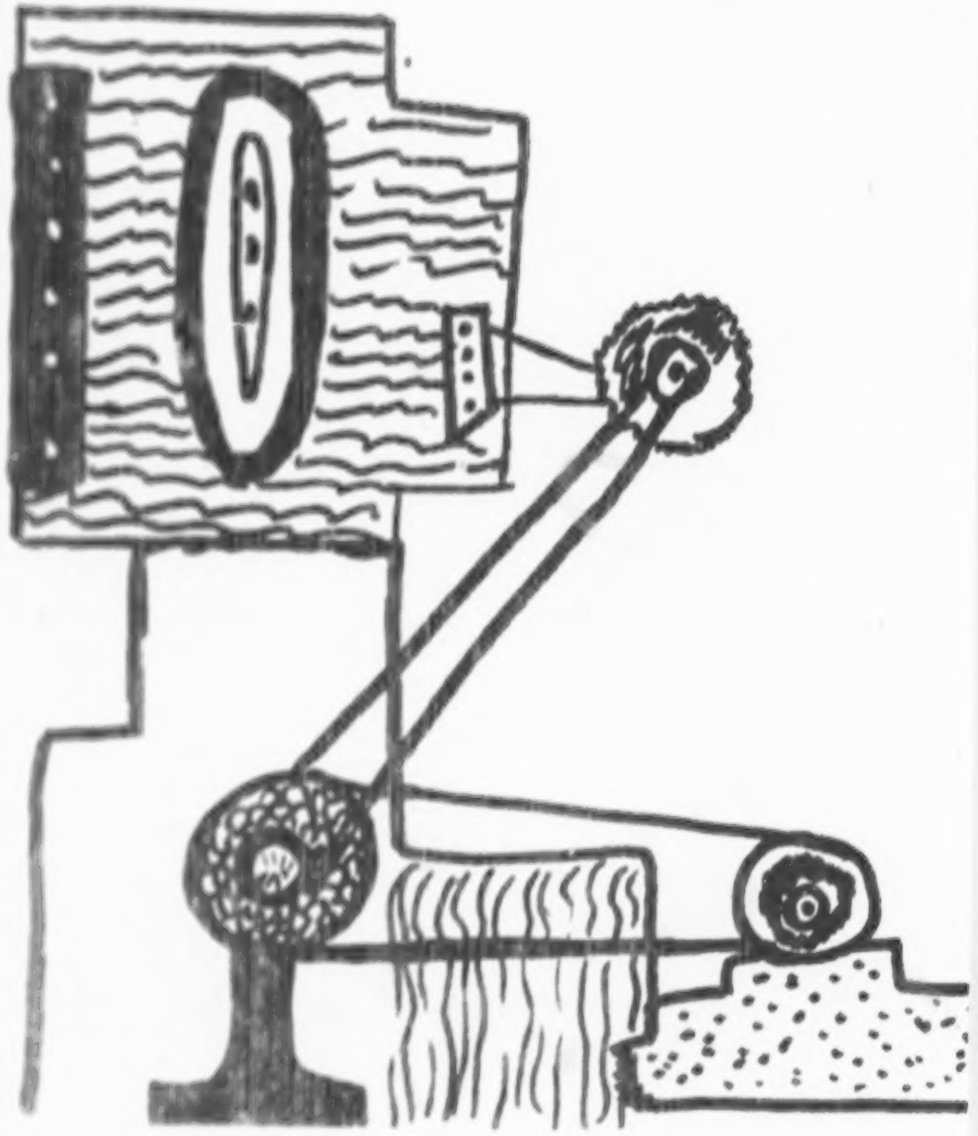
one single man in Hub-Bub

could use them. For you

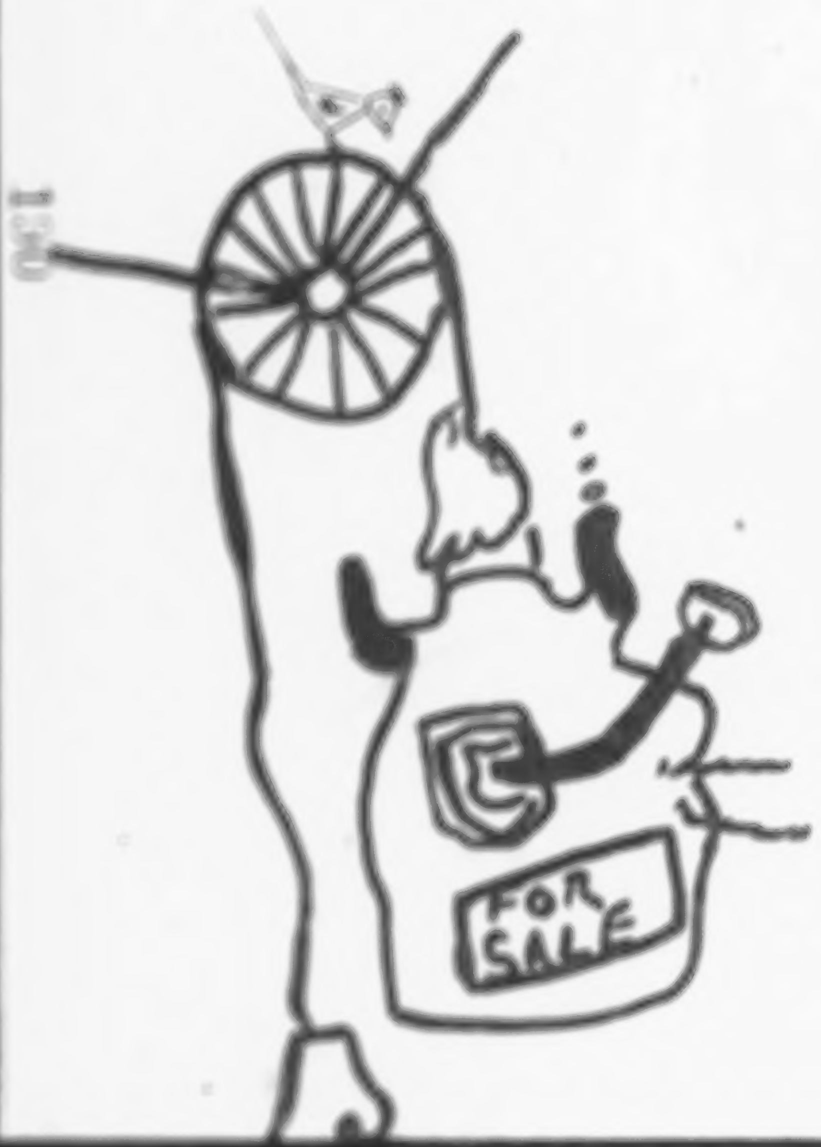
see, here on our island

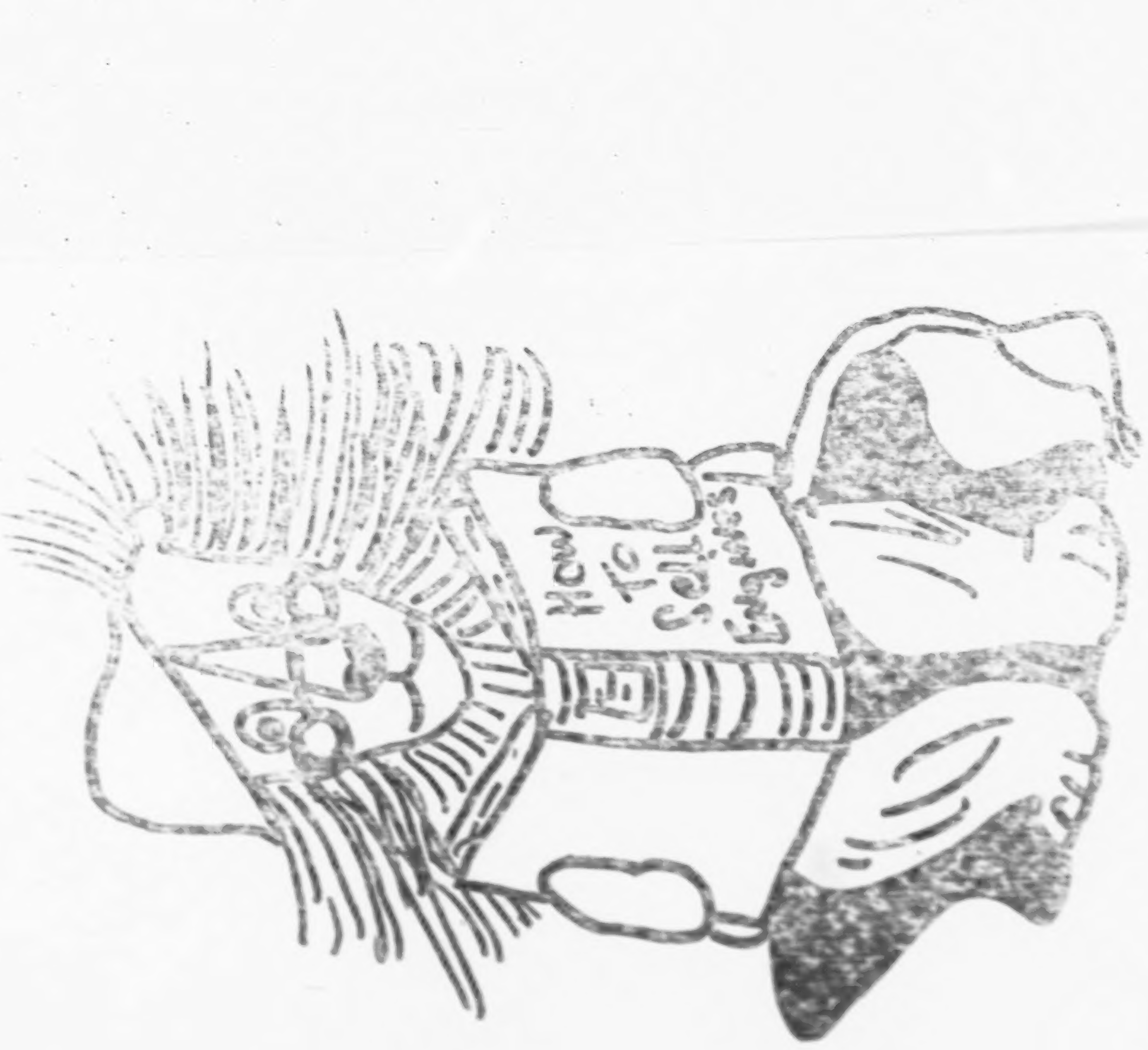
there aren't any cars."

! Robber
Bulber

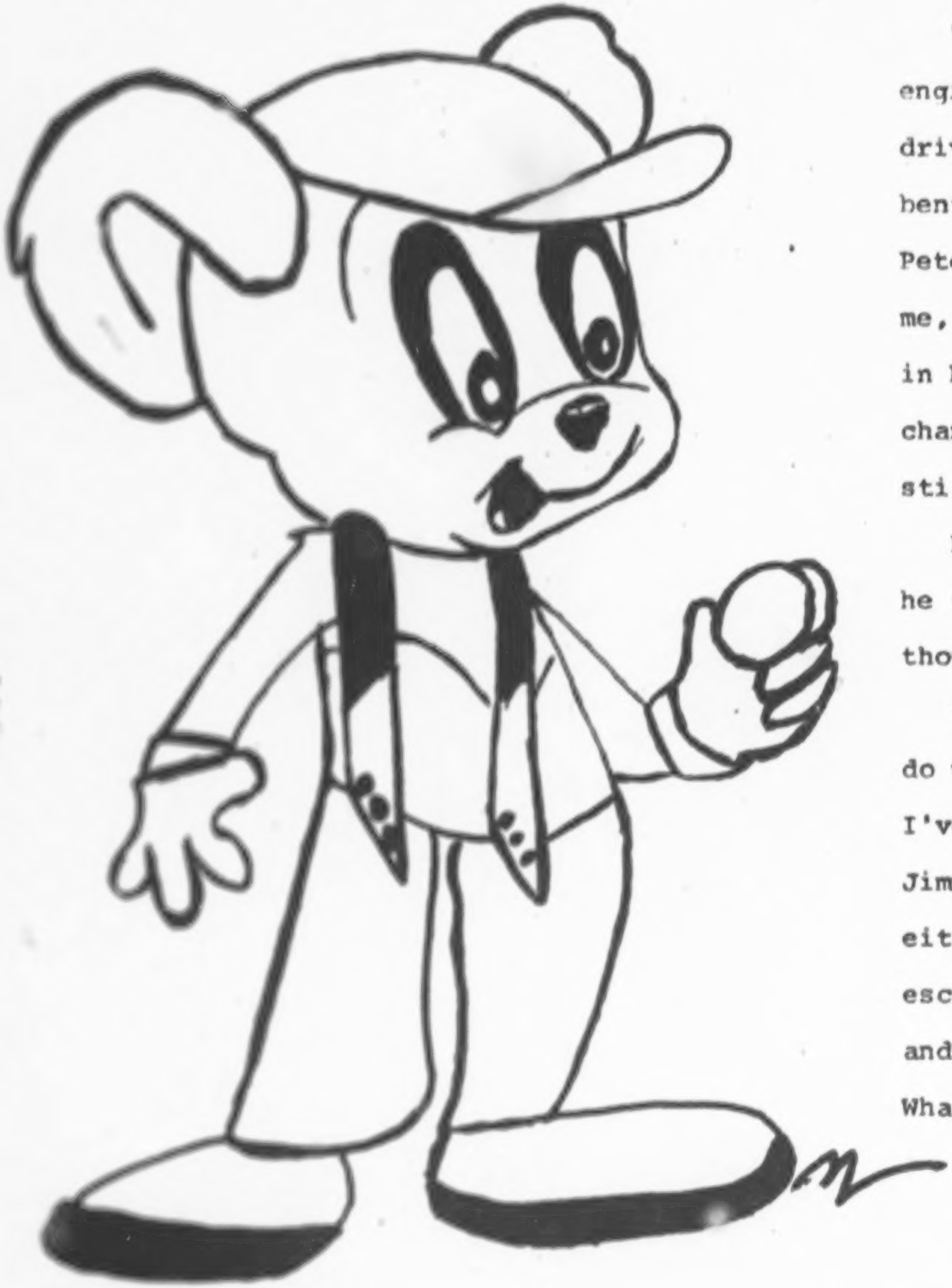


"And then there is Willy,
who lives down the road.
He has a machine that makes
engines from steel."




How to Sell Engineers

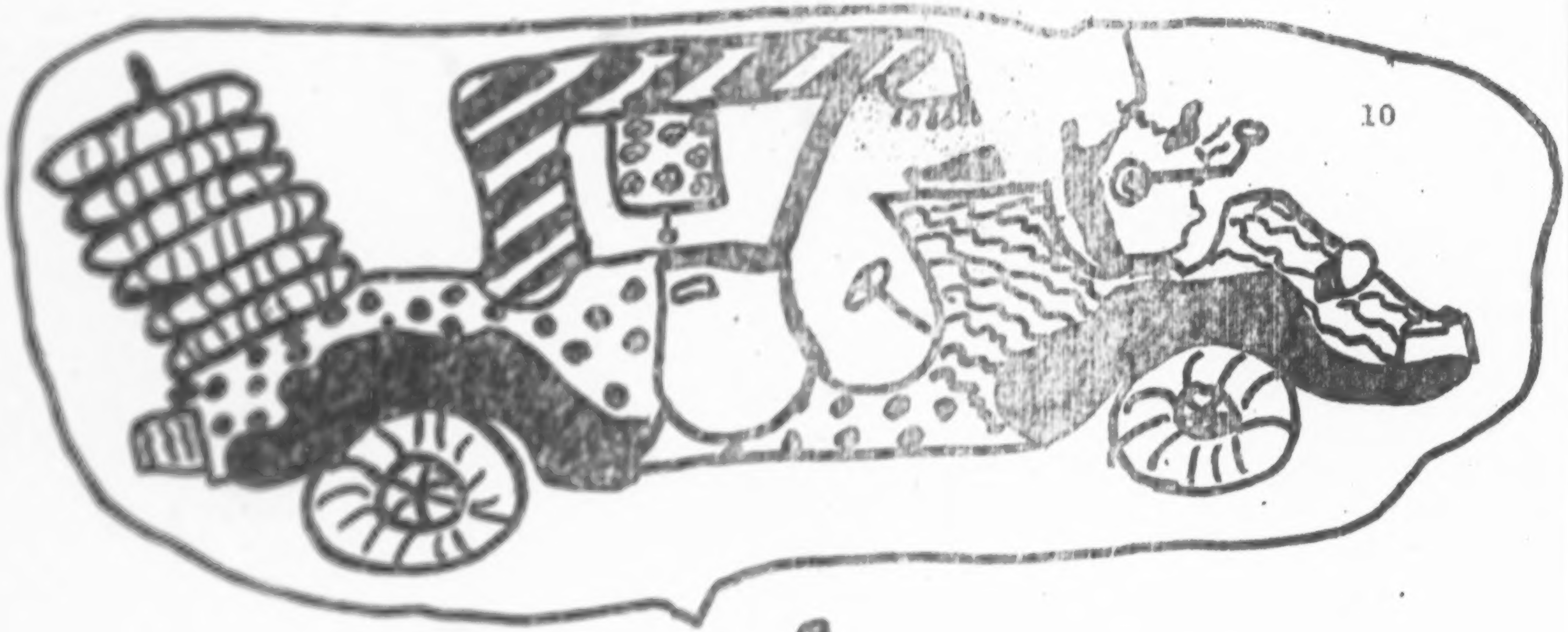
FOR SALE
CHEAP



"But who needs an engine with nothing to drive? Who needs a bent fender?", said Peter. "Just having me, the fender bender in Hub-Bub, hasn't changed anything. I still have no luck."!

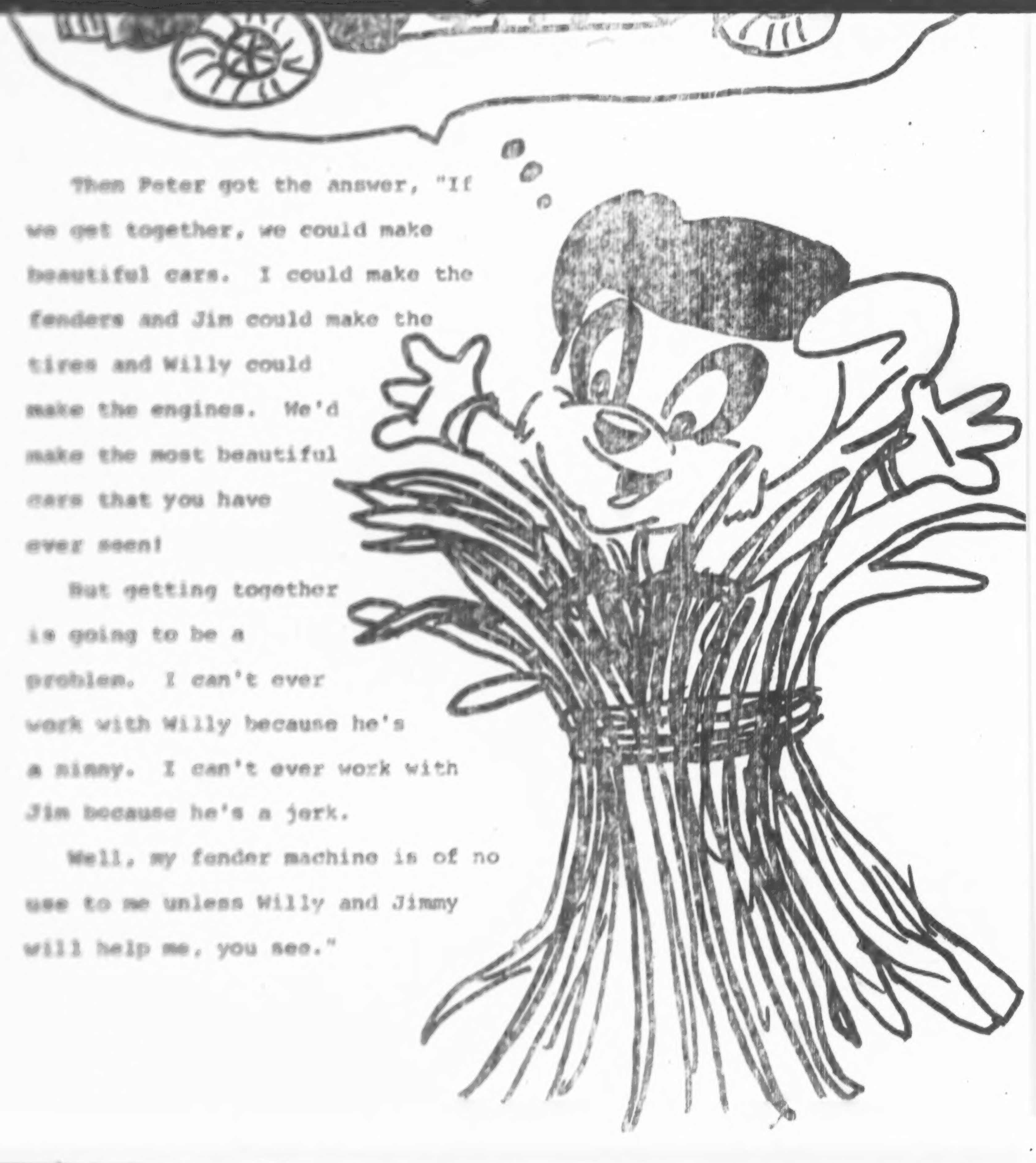
Peter thought, and he thought and he thought.

"There's nothing to do with this thing that I've got. Willy and Jimmy can't use their's either. We'll never escape from our down and out luck Oh! Oh! What can we do?!'



Then Peter got the answer, "If we get together, we could make beautiful cars. I could make the fenders and Jim could make the tires and Willy could make the engines. We'd make the most beautiful cars that you have ever seen!

But getting together



Then Peter got the answer, "If we get together, we could make beautiful cars. I could make the fenders and Jim could make the tires and Willy could make the engines. We'd make the most beautiful cars that you have ever seen!

But getting together is going to be a problem. I can't ever work with Willy because he's a ninny. I can't ever work with Jim because he's a jerk.

Well, my fender machine is of no use to me unless Willy and Jimmy will help me, you see."

So Peter went to see Willy and Jimmy, the two men who needed a fellow with fenders to bend.

"If we get together, the three of us guys could make lots of cars in just any old size."

"What do you say? Do you think it might work?"

"It might just at that", said Jim. "First I'll make the tires with my tire machine. Then you bend the fenders, pink, purple and green. Willy can make all the engines we need. We'll make the most marvelous cars that you've ever seen."

If we get together, the three of us guys could make such

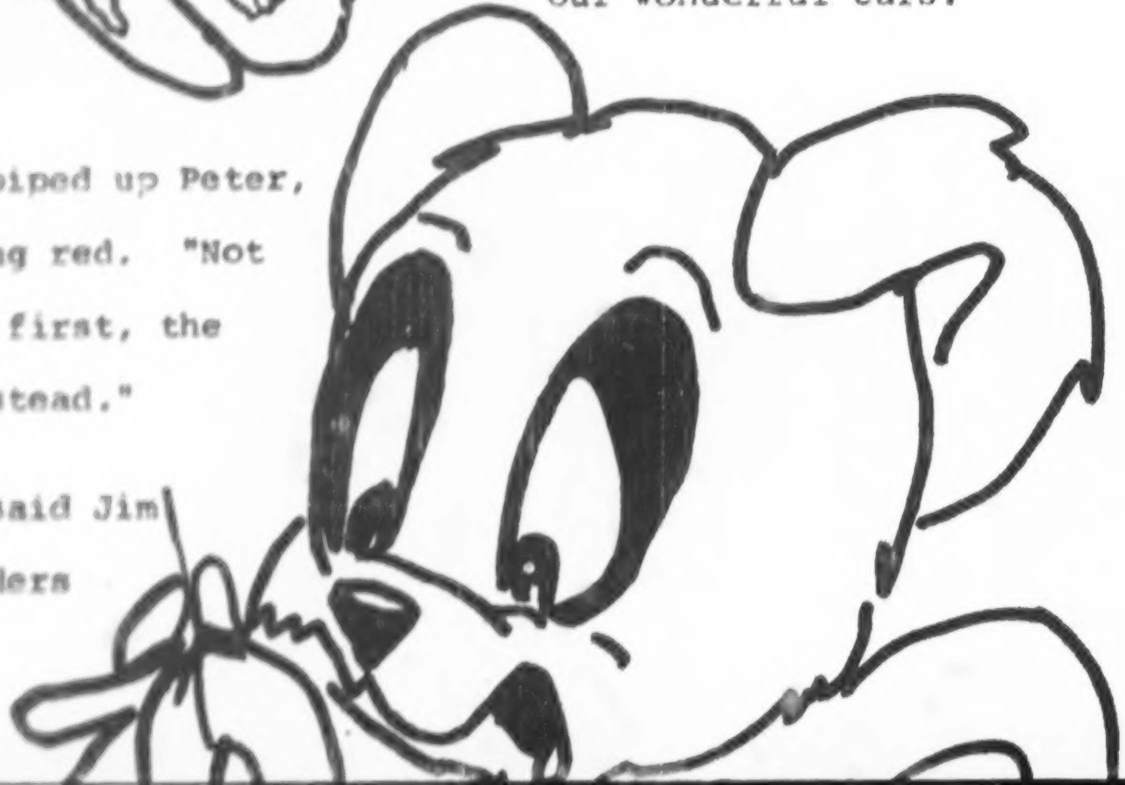
of cars in just any old size."

"What do you say? Do you think it might work?"

"It might just at that", said Jim. "First I'll make the tires with my tire machine. Then you bend the fenders, pink, purple and green. Willy can make all the engines we need. We'll make the most marvelous cars that you've ever seen."

"You can't do it that way", said Willy.

"Make tires first, it just isn't right. First we'll make engines and then we'll make tires and then we'll bend fenders for our wonderful cars."



"No! No!" piped up Peter, face getting red. "Not engines at first, the fenders instead."

"You're stupid!" said Jim "How can you have fenders without any tires."

then we'll bend fenders for
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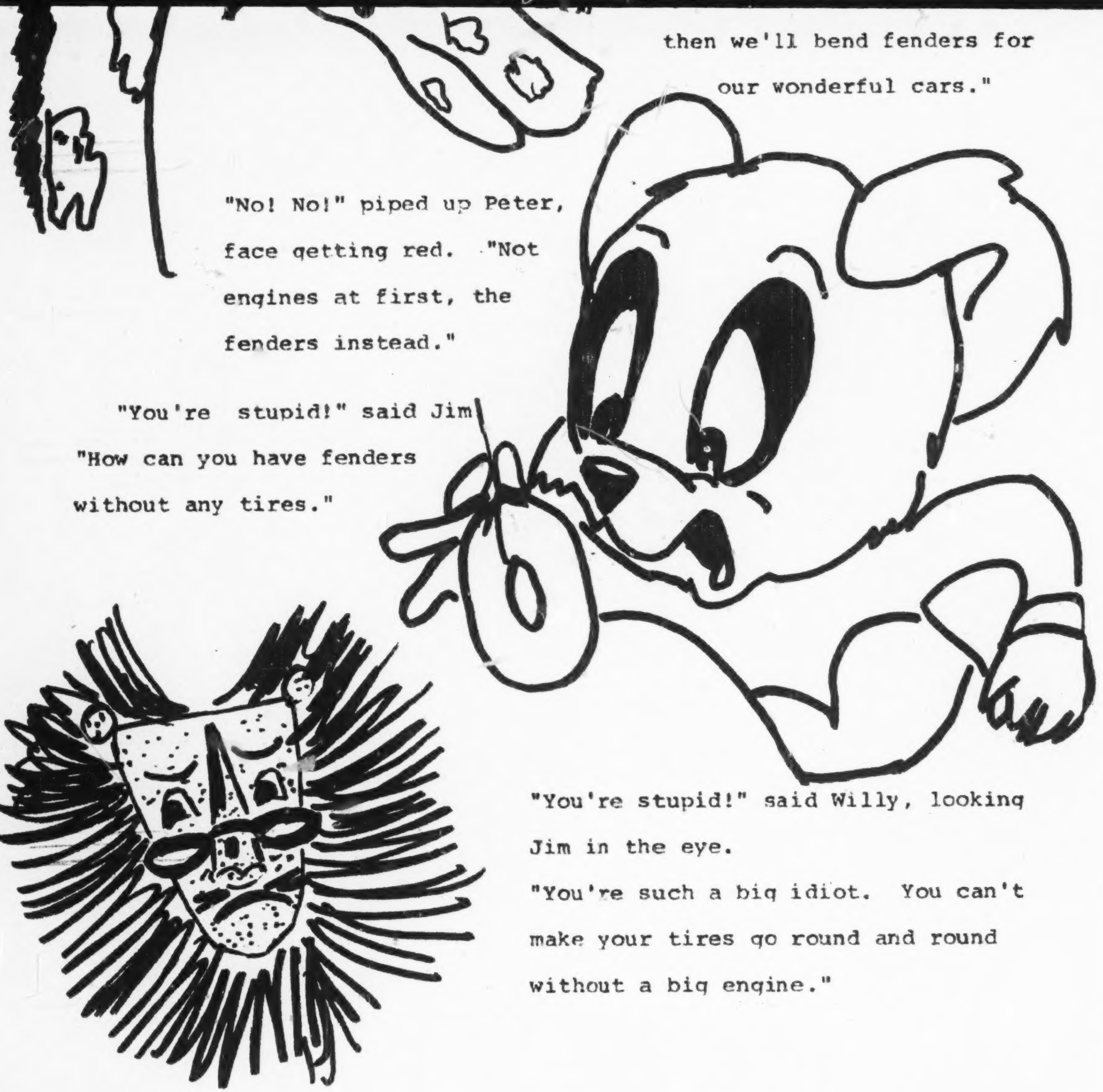
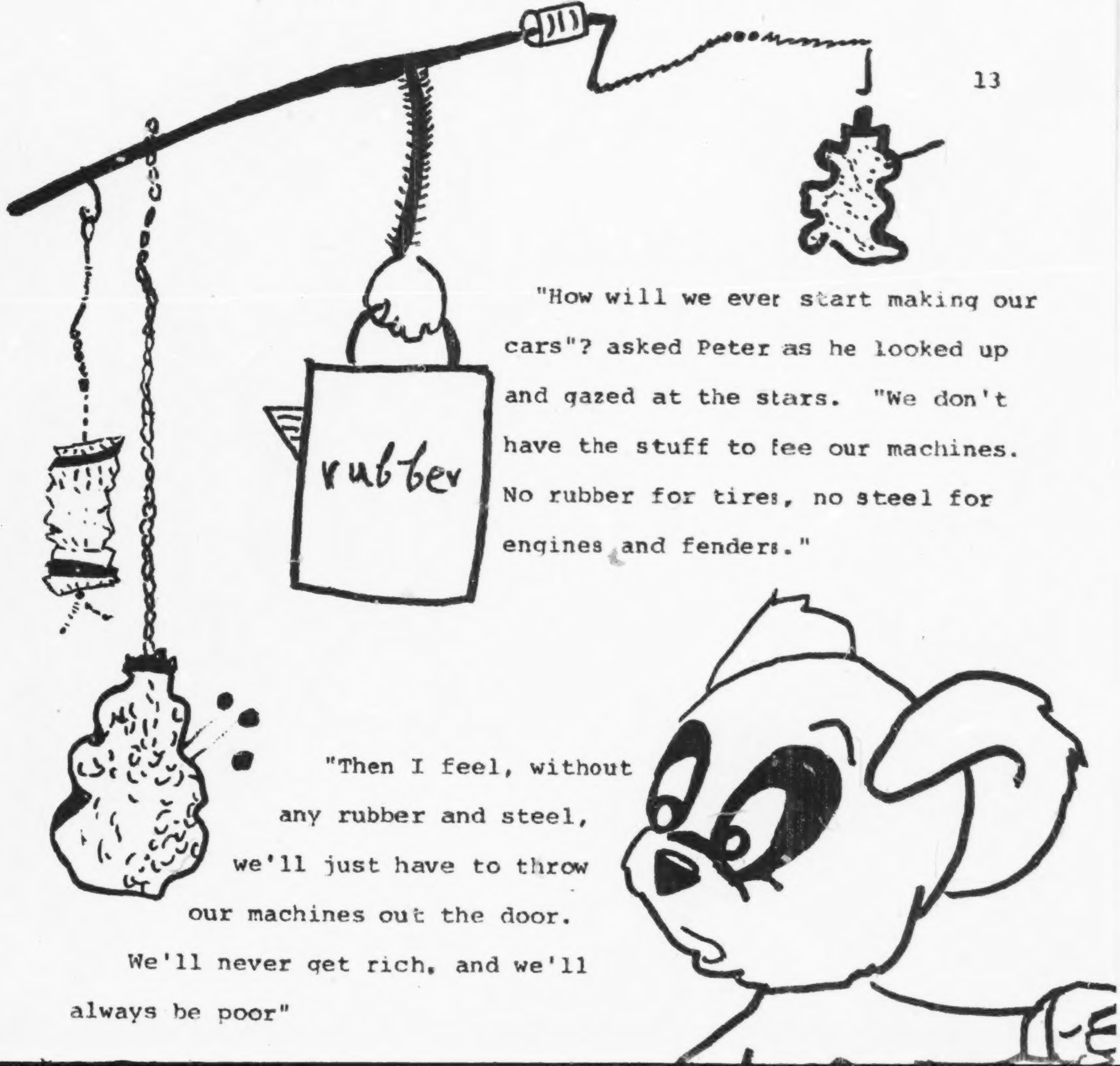


"You're stupid!" said Willy, looking Jim in the eye.

"You're such a big idiot. You can't make your tires go round and round without a big engine."



"How will we ever start making our cars"? asked Peter as he looked up and gazed at the stars. "We don't have the stuff to fee our machines. No rubber for tires, no steel for engines and fenders."

"Then I feel, without
any rubber and steel,
we'll just have to throw
our machines out the door.
We'll never get rich, and we'll
always be poor"

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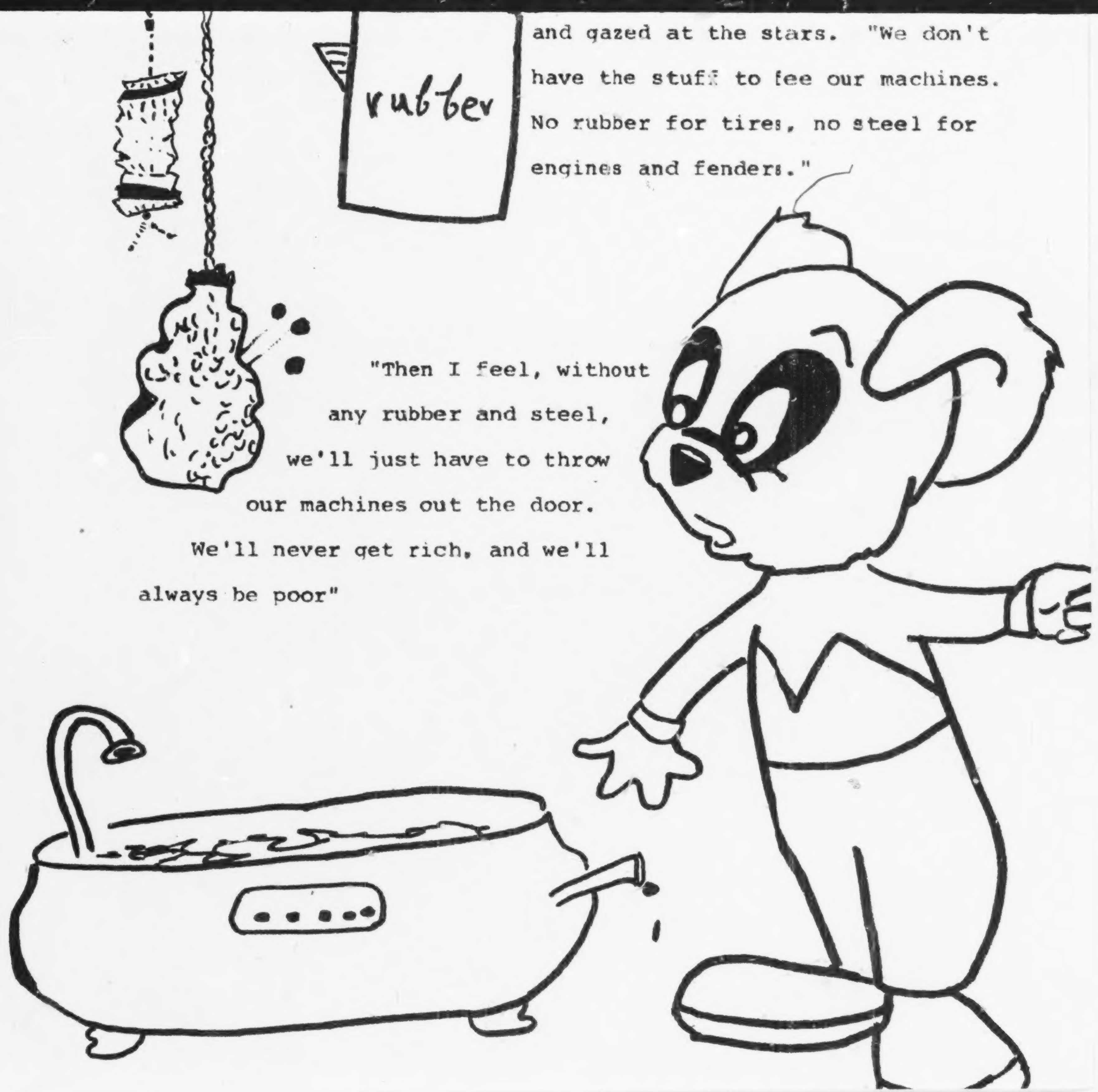

"Besides, who can run the machines that we've got? I can't run mine. I don't even know how to make the thing start or how to bend fenders or put in the parts," said Peter.

"I can't run mine either," said Jim. "Neither can I" said Willy.

"Maybe the workers who live on the island could run our machines. But workers will want to get paid some wages, and I haven't any wages to give them."

"Can't think of a thing; I guess were just stuck" said Peter, so dejected and down on his luck.

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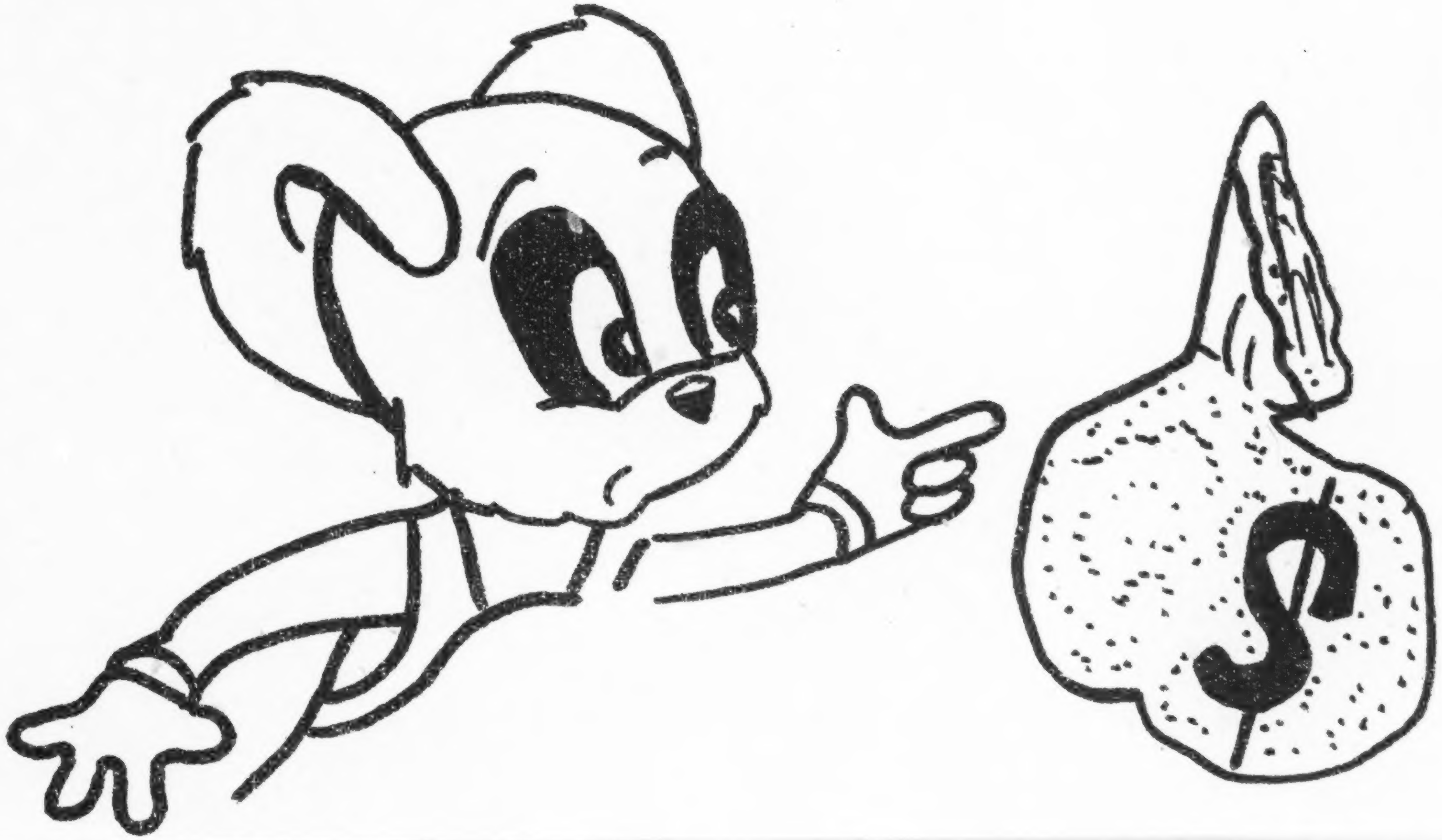

So my dear children, our fable must end
of Peter, his machine and no fenders to bend.
Fables have morals from which we can learn.
So, when it's your turn, tell us what you have
learned about Peter and his fender bender machine.

The End